

Also, a bill (H. R. 10923) granting an increase of pension to Jennie McQueen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10924) granting an increase of pension to Eady Elizabeth Ripple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10925) granting an increase of pension to Charles McCarthy; to the Committee on Pensions.

Also, a bill (H. R. 10926) granting an increase of pension to William S. McGaha; to the Committee on Pensions.

Also, a bill (H. R. 10927) granting a pension to Elda Leota Rutherford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10928) granting an increase of pension to Katharine K. Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10929) granting an increase of pension to Margaret A. Saunders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10930) granting an increase of pension to Mary P. McIntyre; to the Committee on Pensions.

Also, a bill (H. R. 10931) granting an increase of pension to Susan O. Adams; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 10932) granting an increase of pension to Lydia F. Barkley; to the Committee on Invalid Pensions.

By Mr. RATHBONE: A bill (H. R. 10933) for the relief of Martin L. Duffy; to the Committee on Military Affairs.

By Mr. REECE: A bill (H. R. 10934) for the relief of William Jones; to the Committee on Military Affairs.

Also, a bill (H. R. 10935) granting an increase of pension to Roy Elrod; to the Committee on Pensions.

By Mr. SIMMONS: A bill (H. R. 10936) granting an increase of pension to Archie A. Warner; to the Committee on Pensions.

Also, a bill (H. R. 10937) granting an increase of pension to Mary A. Webb; to the Committee on Invalid Pensions.

By Mr. SPROUL of Illinois: A bill (H. R. 10938) for the relief of Wilder B. Thompson; to the Committee on Claims.

By Mr. STRONG of Pennsylvania: A bill (H. R. 10939) granting a pension to Maria L. Stewart; to the Committee on Invalid Pensions.

By Mr. THOMAS of Kentucky: A bill (H. R. 10940) granting an increase of pension to Christopher T. Grinstead; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 10941) granting an increase of pension to William H. Poindexter; to the Committee on Pensions.

By Mr. VINCENT of Michigan: A bill (H. R. 10942) granting a pension to Mary E. Marvin; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 10943) granting an increase of pension to Charles M. McDonald; to the Committee on Pensions.

By Mr. WILLIAMSON: A bill (H. R. 10944) for the relief of Benjamin Ghostbear; to the Committee on Claims.

By Mr. WILSON of Indiana: A bill (H. R. 10945) granting an increase of pension to Rachel Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10946) granting an increase of pension to Mary Wolven; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3244. By the SPEAKER (by request): Petition of Nettle Creek congregation and Sunday School of the Friends Church, Hagerstown, Ind., urging Congress to distribute literature dealing with the narcotic question; to the Committee on Printing.

3245. Also (by request), petition of M. A. Cooper, Austin, Tex., urging Congress to give favorable consideration to the claim of the Hunter Brown Co.; to the Committee on Claims.

3246. Also (by request), petition of W. S. McCrea, executive secretary of the Intermediate Rate Association, Spokane, Wash., urging that action be taken this session of Congress on the Gooding bill; to the Committee on Interstate and Foreign Commerce.

3247. Also (by request), petition of Laughlinton United Brethren Christian Endeavor Society, Laughlinton, Pa., favoring the distribution of literature by Congress relative to the drug menace; to the Committee on Printing.

3248. Also (by request), petition of the City Council of Chicago, Ill., requesting that the United States airplane flagship *Chicago* be placed in the custody of the city of Chicago; to the Committee on Military Affairs.

3249. Also (by request), petition of Army and Navy Union, Boston, Mass., favoring the passage of pending legislation to increase the pensions of Civil and Spanish War veterans and their widows and children; to the Committee on Pensions.

3250. By Mr. ABERNETHY: Petition of George A. Nicoll, W. T. Brinson, G. Lewis, W. H. Lee, W. H. Horton, Z. V. Parker, D. W. Richardson, R. B. Lane, T. D. Warren, W. L. Hand, William Dunn, jr., Thomas O. Moore, A. J. Gaskins, D. P. Henry, Hellen Huff, L. H. Cannon, G. A. Barden, J. S. Miller, William T. Hill, F. M. Hahn, Edward Clark, W. W. Chadwick, L. H. Cutler 3d, Robert P. Lane, W. F. West, A. F. Patten, Lee N. Reed, William B. Lane, G. R. Fuller, J. H. Ziegler, C. M. Kehoe, T. P. Ashford, O. W. Lane, W. Henderson, and others favoring the game refuge bill (S. 2913, H. R. 745); to the Committee on Agriculture.

3251. By Mr. CELLER: Petition of residents of Patchogue and East Patchogue, for the dredging of Swan River; to the Committee on Rivers and Harbors.

3252. By Mr. CULLEN: Petition of metal trades department of the American Federation of Labor, favoring a well-balanced Navy in accordance with the ratio agreed to by the International Conference on Limitations of Armament; to the Committee on Naval Affairs.

3253. By Mr. FREDERICKS: Petition of citizens of Santa Monica, Calif., protesting against the passage of Senate bill 3218, providing for Sunday observance; to the Committee on the District of Columbia.

3254. By Mr. GALLIVAN: Petition of Cornelius A. Parker, Boston, Mass., recommending early and favorable action on House bill 5195, which provides for the establishment of the probation system in the Federal courts; to the Committee on the Judiciary.

3255. Also, petition of Local No. 25, National Federation of Federal Employees, Boston, Mass., urging early and favorable action on House bill 8202 and Senate bill 3011, to amend the present Federal employees' retirement act; to the Committee on the Civil Service.

3256. By Mr. GRAHAM: Petition of residents of Philadelphia, Pa., protesting against the passage of the compulsory Sunday observance bill; to the Committee on the District of Columbia.

3257. By Mr. SHREVE: Petition of residents of Titusville, Pa., and vicinity; residents of Spartansburg, Pa.; and residents of Corry, Pa., opposing the passage of the compulsory Sunday observance bill (S. 3218); to the Committee on the District of Columbia.

SENATE

THURSDAY, December 18, 1924

(Legislative day of Tuesday, December 16, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, one of its clerks, announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 6942. An act establishing transmission and carrying of mail by airplanes and flying machines;

H. R. 7064. An act to encourage commercial aviation and to authorize the Postmaster General to contract for air mail service; and

H. R. 9093. An act declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailable and providing penalty.

SAMUEL GOMPERS

Mr. DILL. Mr. President, I desire to avail myself of the privilege of not discussing the subject now before the Senate, by speaking for a few minutes regarding the life and work of Samuel Gompers, late president of the American Federation of Labor, who was buried to-day in Sleepy Hollow Cemetery at Tarrytown, N. Y.

For 40 years he has been president of the American Federation of Labor. He was not merely the titular head, but the real leader of the union-labor forces of this country. As leader he wrought such profound changes in the economic and industrial life of this country that the American people had come to consider him almost as an institution.

He stood always for the weak and the poor who were forced to live lives of toil, but compelled the respect of those to whom he was opposed. His funeral cortege across the country from Texas to Washington and from here to New York has

been second only to those of American presidents who died in office.

Another reason why it is fitting that some words be spoken of him in this Chamber is that he has been a tremendous influence in the political life of the country. For more than a quarter of a century now he helped to elect and defeat more Members of both House and Senate than any other single individual in the Nation. These fights were not personal fights. They were labor fights.

He cared nothing about the party politics of a man. It was their attitude on labor questions that determined his course. The dominating passion of his life was to unite and solidify the working people into organizations that would stand together "all for one and one for all." He knew the power of united action by those who toil, and to this end he bent every energy, and for this purpose he championed every labor cause. He was as tireless as the tide and had the courage of the lion.

He was fitted to represent those for whom he spoke, because he came from the ranks of labor. He was able to lead them successfully because he understood their needs and could appeal to them in terms of their own experiences.

Those who knew him personally will recall his short but stocky figure. He often said he would have been a tall man had his growth not been stunted by the child labor he was forced to perform to help make a livelihood for the family. Yet he seemed to make up in personality what he lacked in stature and was the tallest short man I ever saw.

He believed in the dignity of labor. As a representative of labor he did not beg or brag. He did not flatter nor abuse. In all his conferences and contests he stood foursquare to all the world, insisting firmly for justice to the rights of labor and prepared to fight for the cause of those for whom he spoke and acted. When he entered a meeting with his body erect, his massive head and shoulders thrown back and his level gaze meeting the eyes of all those who looked at him, he was the impersonation of his own conception of the dignity of labor.

Throughout all his turbulent and aggressive life his critics were many and severe, but he held always before the world the justice of the cause of those who toil. Sometimes he seemed unreasonable and uncompromising in his attitude, but that was in furtherance of his single purpose to hold the labor forces together and increase their power. The increase of membership of the American Federation of Labor from a few thousands when he became head of it to four millions attests how well he succeeded.

Not only that, but unorganized labor profited as much as and often more than union men as a result of the fights which Mr. Gompers made. He always maintained that he was fighting the battles of all who toil, whether they belonged to unions or not, and to-day the better wages and working conditions of nonunion labor as well as union labor are directly traceable to the work done by Mr. Gompers in the past 40 years.

His greatest service to those who toil was his successful struggle to secure acceptance by the general public of his contention that labor is not a commodity but a human thing. Labor can not be separated from those who perform it. When a man sells his labor he sells a part of himself and to that extent he goes with the sale. Labor is perishable, too, and must find a ready buyer. It can not stand and wait for favorable prices. Wives and mothers at home are dependent upon its sale. The destinies of little children are determined by the terms of its disposal. In a democracy like ours, the future of the Republic is often in the balance when the relation of labor and capital is involved.

The crowning glory of Mr. Gompers' life is the conceded and established right of American laboring men and women to-day to organize and bargain collectively through agents of their own choosing as to the terms upon which they will sell their labor.

Although he believed he was his brother's keeper and his heart went out to the wage slaves of the world, he was always truly and thoroughly an American. He contended that the constitutional rights of free speech, free press, free assembly, and freedom of religious belief were the greatest guarantees ever given the masses of the citizens of any country and he insisted they be maintained inviolate. While foreign born himself, he was more sturdy in his Americanism than many of native origin.

During recent years he has stood like Gibraltar against the proposals that labor organizations indorse socialism and communism. His last words, which he knew would be often quoted by his followers, were spoken advisedly. He said, "God bless our American institutions. May they grow better day by day."

Samuel Gompers is gone, but the hopes and aspirations of those who toil will be brighter and nobler and more likely of fulfillment because he lived. The road over which he led the hosts of labor was not pleasantly shaded nor smoothly paved. Instead it had to be built as they went, under the heat of bitter attacks, through canyons of disappointment, misunderstanding and suffering, and over mountains of opposition. But the way is easier and better now and it leads out toward the plains of the equality, independence, and contentment which he envisioned for all the toilers of earth.

Mr. HEFLIN. Mr. President, I listened with a great deal of interest to the speech of the Senator from Washington [Mr. DILL] paying tribute to Samuel Gompers. He was the able head or commander in chief of the great army of organized wage earners of America. He was the true and tried friend of those who toil. John Ruskin said truly—

There is an idle class among both rich and poor—weak, wicked, and miserable. There is a working class among both rich and poor—strong, healthy, and happy.

As the able Senator from Washington proceeded with his splendid speech I called to mind a few lines from Eliza Cook which I desire to quote just here:

There's glory in the shuttles' song,
There's triumph in the anvils' stroke,
There's merit in the brave and strong
Who dig the mine or fell the oak.

I doubt if he who lolls his head
Where idleness and plenty meet
Enjoys his pillow or his bread
As those who earn the meals they eat.

Hold up your brow in honest pride,
Though rough and swarth your hands may be,
Such hands are sap veins that provide
The lifeblood of the Nation's tree.

All honor to the millions of men and women who work with their heads and hands. I remember an incident in the life of General Pettus, who ably represented my State as one of its Senators in this body for 11 years. At the age of 82 on one occasion he was trying law cases in western Alabama while he was still a Member of the Senate. Some one said, "General, what are you doing over here?" The general said, "I am here looking after some cases that I have in court." His friend said, "I thought you were old enough to quit work." The general replied, "No; a man should never quit work. A few years of idleness and he loses his health. A few years of idleness and his mind is gone. It takes work, activity of some kind, to keep the body strong and the mind in good condition." General Pettus was right. Samuel Gompers believed in the gospel of work. He preached it and lived it to the day of his death. In fighting communism and advising the Federation of Labor against going off after socialism when a few of its members wanted to do so he rendered signal service to the American home, to American labor, and to the country as a whole. He had a big, sympathetic heart and mentally he was a very strong man. He loved our free institutions, and the reports of the press tell us that his last words were: "God bless the American institutions; may they grow better and better as the years come and go."

Mr. President, every patriotic American will applaud that prayer, and God grant that it may be answered.

Mr. STANLEY. Mr. President, the late lamented Samuel Gompers, in his passing, will be regretted by capital and by labor alike. He was a great democrat in the broadest sense. He was profoundly devoted to American institutions. He was a sincere patriot. He was the staying hand against the vagaries of bolshevism and socialism, always sane, well poised, clear of vision, firm of purpose. Whether we agree or disagree with him in his theories and in his policies, few will question his disinterested devotion to his country or to the great organization which he so ably represented for nearly half of a century. Tireless, astute, indomitable, he was without a rival or a peer in the great organizations which for 50 years made him their titular head. We may well say that it is more than probable we "shall not look upon his like again."

Mr. NORRIS. Mr. President, in the busy life we live and in the earnestness with which we engage in legislative controversies here we almost forget, I think, some of the finer sensibilities of this life. I confess, almost with a feeling of shame, that I should become so engrossed in the things that pertain to our duty here as to forget the passing of one of the great characters of our age. I am only reminded of it by what the three Senators who have recently spoken have said.

We quarrel and wrangle over things that often are only of a day or a night in the span of human existence, and we become so interested, so engrossed in them, that we forget the passing of time, and that while we are so engaged those who have likewise toiled and have done what they thought and what they believed was for the happiness and benefit of mankind have passed away.

I think Samuel Gompers was one of the leading minds of the age in which he lived, but like all the rest of mankind he was human. It is no injustice to him to say that as a human being he made his mistakes. That only demonstrated his humanity. His great heart, however, always beat for the downtrodden; his mighty voice was always lifted in behalf of those who toiled and those who suffered. He always spoke for the disadvantaged, who, after all, are the ones who bear the burdens of the world. As he passes beyond the veil it seems to me it can well be said of him as was said at the open grave of Brutus centuries ago:

His life was gentle, and the elements
So mix'd in him, that nature might stand up
And say to all the world, "This was a man!"

I think it could be said of his life, in the words of the poem written by Caroline A. Briggs:

When I am old—and oh, how soon
Will life's sweet morning yield to noon,
And noon's broad, fervid, earnest light
Be shaded in the solemn night!
Till like a story well-nigh told,
Will seem my life, when I am old.

When I am old my friends will be
Old and infirm and bowed like me;
Or else, their bodies 'neath the sod,
Their spirits dwelling safe with God.
The old church bell will long have tolled
Above the rest, when I am old.

Ere I am old, oh, let me give
My life to learning how to live!
Then shall I meet with willing heart
An early summons to depart;
Or find my lengthened days consoled
By God's sweet peace, when I am old.

Mr. ASHURST. Mr. President, in Waterloo Place, in London, is a statue of Gen. John Fox Burgoyne. On its pedestal is carved the eloquent line from Coriolanus:

How youngly he began to serve his country,
How long continued!

Paraphrasing that inscription and applying it to the life of Mr. Gompers, we can truly say—

How youngly he began to serve mankind,
How long continued!

REPORT OF THE ALASKA RAILROAD

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Territories and Insular Possessions:

To the Congress of the United States:

In accordance with the provisions of section 4 of the act of March 12, 1914 (38 Stat. 305), entitled "An act to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes," I transmit herewith the report of the Alaska Railroad covering the period from January 1 to December 31, 1923.

CALVIN COOLIDGE.

THE WHITE HOUSE, December 18, 1924.

SENATOR FROM MASSACHUSETTS

The PRESIDENT pro tempore laid before the Senate the certificate of the Governor of the State of Massachusetts certifying to the election of FREDERICK H. GILLET as a Senator from that State for the term commencing on the 4th day of March, 1925, which was ordered to be placed on file and to be printed in the RECORD, as follows:

THE COMMONWEALTH OF MASSACHUSETTS.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES, Greeting:

This is to certify that on the 4th day of November, in the year of our Lord 1924, FREDERICK H. GILLET was duly chosen by the qualified voters of said Commonwealth a Senator, to represent said Commonwealth of Massachusetts in the Senate of the United States for the term of six years, commencing on the 4th day of March, A. D. 1925.

Witness his excellency, Channing H. Cox, our governor, and our great seal, hereunto affixed, at Boston, this 26th day of November, in the year of our Lord 1924, and of the Independence of the United States of America the one hundred and forty-ninth.

[SEAL.]

By his excellency the governor:

CHANNING H. COX.

F. W. COOK,

Secretary of the Commonwealth.

PETITIONS AND MEMORIALS

Mr. LADD presented a memorial of sundry citizens of Dogden, N. Dak., remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. SPENCER presented memorials of sundry citizens of Carthage and Jasper County, all in the State of Missouri, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. WILLIS presented a resolution of the Chamber of Commerce of Portsmouth, Ohio, favoring the participation of the United States in the World Court as proposed by the so-called Harding-Hughes plan, which was referred to the Committee on Foreign Relations.

Mr. WARREN presented the petition of Local No. 590, Musicians' Protective Association, A. F. of M., of Cheyenne, Wyo., praying for the passage of legislation increasing the pay and allowance of Army musicians, which was referred to the Committee on Military Affairs.

Mr. CAPPER presented a memorial of sundry citizens of Rush County, in the State of Kansas, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

REPORTS OF THE COMMERCE COMMITTEE

Mr. LADD, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 3621) granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Ouachita River at or near Monroe, La. (Rept. No. 815);

A bill (S. 3622) granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Bayou Bartholomew at each of the following-named points in Morehouse Parish, La.: Vester Ferry, Ward Ferry, and Zachary Ferry (Rept. No. 816);

A bill (H. R. 9518) to authorize the State of Alabama, through its highway department, to construct and maintain a bridge across the Coosa River at or near Leesburg, Ala., and Center, Ala., on the primary road system of the State (Rept. No. 817); and

A bill (S. 3584) to extend the time for completing the construction of a bridge across the Delaware River (Rept. No. 818).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 3715) authorizing the issuance of patent to the Pioneer Educational Society and its successors for certain lands in the diminished Colville Indian Reservation, State of Washington; to the Committee on Indian Affairs.

By Mr. BALL:

A bill (S. 3716) to make available an officer of the Army of appropriate grade for service in charge of public buildings and grounds in the District of Columbia and for the exercise of certain other functions; to the Committee on Military Affairs.

By Mr. STANLEY:

A bill (S. 3717) conferring jurisdiction upon the Court of Claims of the United States or the district courts of the United States to hear, adjudicate, and enter judgment on the claim of Solomon L. Van Meter, jr., against the United States, for the use or manufacture of an invention of Solomon L. Van Meter, jr., covered by letters patent No. 1192479, issued by the Patent Office of the United States July 25, 1916; to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 3718) granting leave of absence to officers and employees of the Government who attend the Citizens' Military Training Camps; to the Committee on Military Affairs.

By Mr. CAPPER:

A bill (S. 3719) creating a Federal marketing board to encourage and aid in the formation of cooperative marketing associations, cooperative clearing-house associations, and terminal market associations handling agricultural products; to correlate the activities of such associations; to develop efficient and economical methods of distributing and marketing such products; and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. GEORGE:

A bill (S. 3720) for the relief of Lillie F. Evans; to the Committee on Claims.

By Mr. PHIPPS:

A bill (S. 3721) authorizing the Secretary of the Treasury to exchange the present customhouse building and site located in Denver, Colo.; to the Committee on Public Buildings and Grounds.

By Mr. WATSON:

A bill (S. 3722) to authorize the States of Indiana and Illinois in the States of Indiana and Illinois to construct a bridge across the Wabash River at the city of Vincennes, Knox County, Ind., and connecting Lawrence County, Ill.; to the Committee on Commerce.

By Mr. TRAMMELL:

A bill (S. 3723) providing for a survey of the natural oyster beds in the waters within the State of Florida; to the Committee on Commerce.

By Mr. FESS:

A bill (S. 3724) for the relief of Washington County, S. C. Kile estate, and Martha Frye estate; to the Committee on Claims.

By Mr. JONES of Washington:

A joint resolution (S. J. Res. 157) extending appropriation in connection with Columbia Basin investigations; to the Committee on Appropriations.

By Mr. FERRIS:

A joint resolution (S. J. Res. 158) for survey of public-school needs in the District of Columbia; to the Committee on the District of Columbia.

AMENDMENTS TO MUSCLE SHOALS BILL

Mr. McKellar, Mr. Wadsworth, and Mr. Jones of Washington each submitted an amendment, and Mr. Smith submitted two amendments intended to be proposed by them to House bill 518, the so-called Muscle Shoals bill, which were severally ordered to lie on the table and to be printed.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. JONES of Washington submitted the following amendment intended to be proposed by him to House bill 10020, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed:

Columbia Basin project: For investigation of the feasibility of irrigation by gravity or pumping, water sources, water storage, and related problems in connection with the Columbia Basin project, the unexpended balance of this appropriation contained in the act of March 4, 1923 (42 Stat. p. 1540), for the above purpose, for the year 1924, is hereby reappropriated and made available immediately and until used.

To be inserted at the proper place in the bill.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Post Offices and Post Roads:

H. R. 6942. An act establishing transmission and carrying of mail by airplanes and flying machines;

H. R. 7064. An act to encourage commercial aviation and to authorize the Postmaster General to contract for Air Mail Service; and

H. R. 9093. An act declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailable and providing penalty.

REPORT OF THE NATIONAL FOREST RESERVATION COMMISSION

Mr. LADD. The Committee on Public Lands and Surveys has had under consideration the report of the National Forest Reservation Commission. It has approved this report. I ask that the Committee on Public Lands and Surveys be discharged from the further consideration of this report, and that it be referred to the Committee on Printing.

The PRESIDING OFFICER (Mr. MEANS in the chair). Is there objection to the receipt of the report? The Chair hears none. It will be received and, without objection, the Committee on Public Lands and Surveys will be discharged from the further consideration of the report, and it will be referred to the Committee on Printing.

MUSCLE SHOALS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 518) to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; steam-power plant to be located and constructed at or near Lock and Dam No. 17, on the Black Warrior River, Ala., with right of way and transmission line to nitrate plant No. 2, Muscle Shoals, Ala.; and to lease to Henry Ford, or a corporation to be incorporated by him, Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Montana [Mr. WALSH] to the amendment of the Senator from Alabama [Mr. UNDERWOOD].

Mr. UNDERWOOD. Mr. President, I merely desire to say a word. I think, although there is considerably more language in the amendment offered by the Senator from Montana than there is in the provisions of the substitute which he seeks to amend, the result would be the same except in one respect. The Senator from Montana seeks to take two of the clauses of the Federal water power act and insert them in the substitute in place of section 10. Section 10 provides for State regulation. The paragraphs taken from the Federal water power act provide for Government regulation unless there is State regulation, and then Government regulation shall be superseded by State regulation. So I am not concerned about the amendment except in this respect. The bill itself requires State regulation, whether the power is in the hands of the lessee, or, failing a lessee, is in the hands of a national corporation. I think the bill should so provide. The amendment as proposed by the Senator from Montana provides for substantially the same regulation as to a lessee, but provides no regulation whatever for a national corporation.

In answer to a question the other day the Senator from Montana said that a national corporation was the Government, and he did not think the Government should be regulated. Of course, I recognize that if the Government were functioning as a government, exercising primarily its government functions, it should not be regulated; but when the Government organizes a corporation for the purpose of performing acts and doing business as would any private corporation I see no reason why it should not be regulated just as are all private corporations. Therefore I hope the amendment will not be adopted.

Mr. BRUCE. Mr. President, I have been waiting patiently for an opportunity to say a few words in behalf of the amendments which I have offered to the pending measure; but it seems to me that the flow of speech in this debate is likely to prove almost as unceasing as the flow of the Tennessee River itself; so I feel warranted in adding just a few tributary drops to it at this time.

For the most part, the Underwood substitute meets with the entire approval of my judgment. I agree with the author of that substitute in thinking that its most important provisions by far are those proposing to create an abundant and a constant supply of nitrogen for the manufacture of war explosives. This country can not afford to rely merely upon a foreign source of supply for this commodity, for such a source of supply might at any time be cut off by a hostile fleet. So, if I did not favor the substitute for any other reason, I should do so because it proposes to establish a great domestic source of supply for such nitrates as we may need in time of war. Taking that view of this bill, I quite concur with the Senator from Alabama in believing that we might as well complain that a battleship is not profitable in a pecuniary sense as complain that this great plant at Muscle Shoals, if leased by the Government or operated by the Government, would not be so.

I also favor those features of the Underwood substitute which provide for the sale of any surplus nitrogen that may be produced at the plant. The only alternative to sale, as the Senator from Alabama has well said, would be to dump the surplus into the Tennessee River; and that, I imagine, is an idea that no reasonable man would regard for a moment with the slightest degree of toleration.

Nor do I object to the substitute because it contains contingent provisions for governmental operation. The provisions in it that relate to governmental operation are simply alternative provisions. They will not go into effect except

in the event of the Government being unable to lease the plant to advantage. I have reached these conclusions, notwithstanding the fact that if there is a Member of this body who cherishes a profound distrust for Government operation, it is I. I think that in industrial relations it is usually nothing but a snare, a delusion, and a cheat; and one of the things that have filled me with a sense of infinite amazement since I have been a Member of this body is the unquestioning, the bland, I had almost said the childlike faith which certain Members of this body seem to entertain with respect to Government operation. They push their confidence in it to a point that seems to me hardly to fall short of the credulity of a medieval monk in his relations to the philosopher's stone, or some secret process by which dross was supposed to be convertible into gold.

The history of the public operation of industrial enterprises in this country is nothing but a long trail of miscarriages and administrative disasters. It is not necessary to go back, as suggested by the Senator from Michigan, to the period of the World War to find illustrations of the utter inefficiency of the Government to conduct such enterprises.

The Emergency Fleet Corporation at this moment is as striking an example of that as anyone might ask for. Year after year since the conclusion of the great World War we have had it vainly attempting to grow marine orchids, with no results except abuses of patronage and huge pecuniary deficits.

I am not so familiar with the history of the Panama Canal service, but I infer from what was said by the Senator from Missouri [Mr. REED] yesterday that that, too, aside from the Panama Railroad, has been conducted at a loss to the Government; and this is true, if I am not mistaken, of every other enterprise in the nature of an industrial undertaking which the Government has ever attempted to carry on in my time.

It was said by the Senator from Missouri that the post-office operations of the United States constitute an exception. They do not. Everybody knows that a large part of the expenses of the Post Office Department are charged up to the General Treasury of the United States, and that it is only because of that fact that a deficit in the postal operations of the Government is not disclosed from year to year.

A few years ago Mr. Burleson, who had a strong bias in favor of Government operation of public utilities, testified before an investigating committee of Congress that if the Rural Mail Delivery Service of the United States were let out to private contract there would be a saving to the Government of \$18,000,000 a year. I venture to say that there is no such thing as a large industrial enterprise carried on by the public that has resulted in anything except a pecuniary deficit.

Of course, I am not unmindful of the fact that the junior Senator from Nebraska [Mr. HOWELL] thought that he had found a conspicuous illustration to the contrary in the operation of an electric plant in the town of Lincoln, in Nebraska. Well, if that is an exception, then I say that it ought to be placed in the same class with a white crow or a black swan. I do not believe personally that it constitutes any exception. I should like to know whether in the management of that municipally conducted electric plant any allowance whatever is made for depreciation. I should like to know whether it is accorded any special privileges, perquisites, or concessions of any kind from the general treasury of the town of Lincoln. I should like to know whether its shortcomings are covered up in any respect in the general tax rate. I have often heard of these extraordinary municipal enterprises, but when I have run them down—

Mr. HOWELL. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Nebraska?

Mr. BRUCE. At the present time I ask the Senator to pardon me; I would rather not yield, because, after all, that is simply an isolated instance bearing upon the question that I am discussing.

Why, not to go any farther, take the city of New York. A few years ago—and the Senator from New York will bear me out, I am sure, when I say what I do, notwithstanding any reluctance that he may have to do so—there were a number of ferries plying in the waters adjacent to that city, and all of them were conducted by private agencies with a single exception, and all of them were conducted with a pecuniary profit except that one ferry operated by the city of New York or the city of Brooklyn. All the other ferries came out with a clean balance sheet at the end of the year. Every year that municipally conducted ferry was involved in a grave deficit.

The experience of England has been exactly the same. A short time ago I read a book giving a history of municipally conducted enterprises in England, and it was nothing but a

story of tragic results. To such an extent was this true that municipally conducted industrial enterprises in that country were largely abandoned.

One apparent instance of success on the part of a municipality in conducting an industrial enterprise was the city of Glasgow. That city was heralded all over the world as furnishing proof of the fact that such an enterprise can, after all, occasionally be carried on with a pecuniary profit; but recently I have seen that even Glasgow is losing its character as an honorable exception. Be that as it may, I recollect that a few years ago, when one of the leading officials of Glasgow came to this country and went about and looked into our different industrial enterprises of one sort or another, he afterwards stated in an interview with one of our newspapers that in his opinion nothing could be more ruinous than the fate which would befall municipal industrial enterprises in this country if they were undertaken upon any considerable scale.

Mr. COPELAND. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from New York?

Mr. BRUCE. I shall have to ask the Senator to excuse me just now. He said that if they did not fail for any other reason they would fail because of the abuses of patronage arising out of the spoils system of administration that is only too well known to us all in the United States.

What is the philosophy of all this? It is perfectly manifest to any man who has ever had anything to do, as I have, with the practical tasks of public administration or who has ever entered into any real comparative study of the energy and efficiency with which private business enterprises are conducted and the languor and the inefficiency with which public business enterprises are conducted. The motives in the two cases are altogether different.

The strongest incentive to which any human breast can respond is that of selfish pecuniary gain. Everybody knows that is true. One of the sayings of Poor Richard was that "the eye of the master is worth both hands of the servant"; and so it is, because his eye is rendered vigilant by incessant self-interest, by pecuniary necessity, by knowledge of the fact that if he succeeds he must succeed by his own efforts, and not by any artificial aid of any kind that he may obtain from the state. So, when an industrial enterprise is managed by a private agency, everyone is keyed up to the highest pitch of activity. The owner of the enterprise has his eye upon the foreman; the foreman has his eye upon the laborer; and everything moves along, so to speak, in an unremitting rhythmical way.

How different is the animus that lies back of an industrial enterprise conducted by the public. In the first place, the public is utterly unable, under the practical conditions which surround government, to obtain the proper sort of a superintendent for such an enterprise. Everybody who is familiar with industrial projects knows that the character of the superintendents who supervise them spells the difference between success and utter disastrous failure. A great private business concern is willing to pay its superintendent \$25,000 or \$30,000 or \$40,000 or \$50,000 for his services, because it knows that these services are worth that much to it. The public, whether city, State, or National Government, is not in a position to give any such compensation.

Then, as I have said, how inert, how indolent, how languid, in comparison with the activity of the employees of a private industrial concern, is the activity of Government subordinates and employees. Their chief, unless he is a man gifted to an unusual extent with public zeal, does not keep up the same kind of alert, incessant oversight over those who are under him that a private superintendent does. For a large part of the time during the day the eye of the public subordinate is on the clock almost as much as on his work.

Of course, there are conspicuous exceptions to this. Every now and then we find some conspicuously honorable, able, and public-spirited man giving himself up with the most ardent measure of devotion to the public service; and the art of public administration mainly consists in getting as many men of that kind into the public service as you can. Then, of course, along the lower levels of the public service there are thousands of patient, conscientious drudges who do their work as faithfully as similar work is done in connection with the operations of any private enterprise.

That is the philosophy of the thing. You might as well endeavor to infuse the spirit of a woman into a man or the spirit of a man into a woman as to attempt to infuse the spirit of an alert private industrial enterprise into the sluggish veins of a municipally or State or Government conducted industrial enterprise.

But, as I have intimated, I do not feel that it is necessary to apply these considerations to the Underwood substitute at

all. We must have nitrates for war explosives from a lessee under that substitute if we can find one, and if we can not from a lessee then we must have them from Government operation itself, even though this operation should be conducted at a loss. I shall therefore vote for the Underwood substitute when the time for voting on it comes, and I shall do so even though my own amendments should fail to receive the approval of the Senate.

To repeat, I have no objection to the production of nitrogen at Muscle Shoals for war explosives; I have no objection to the production of such nitrogen for sale to the trade, to be converted by it into full commercial fertilizers; I have no objection to the sale of surplus electrical power generated at Muscle Shoals; but what I do object to, what I sternly, inflexibly object to, is that the Government or its lessee should utilize the nitrogen produced at Muscle Shoals for the purpose of manufacturing commercial fertilizers in competition with its own citizens.

In the city of Baltimore we have, I am told, \$75,000,000 invested in the business of making commercial fertilizers, and in Philadelphia, as I understand it, a great sum is invested in the same business. Indeed, doubtless the industry is a thriving one in still other cities. The fertilizers made in the city of Baltimore are distributed all over the United States, and especially throughout the South. The business of making them has been built up by patience, by industry, by honest dealing, by vision, and in some instances by industrial genius. Is this great business to be stricken to the ground by the hand of the National Government? Its owners have no general tax rate, no Public Treasury to fall back upon. They can not afford to suffer one tithe, one one-hundredth of the pecuniary loss that the Government could suffer and yet go on with the manufacture of commercial fertilizers. Year after year these great fertilizer enterprises in Baltimore have been paying immense sums in taxation to the General Government, contributing to its maintenance both in time of war and in time of peace. Have they not the right, the undeniable right, to believe that the Government should not be quick to forget its correlative obligation of protection? The justification for taxation is the protection which is accorded to the citizen and his property by the State in return for it.

Should this plant be operated by the Government, of course not a private fertilizer enterprise in the city of Baltimore could hope to compete effectively with the Government. They would all go to the wall; they would all pass into the hands of receivers. Nor do I forget that if the Government under this substitute should enter into competition with its own citizens it could extend the range of competition far beyond the manufacture of commercial fertilizers and make it include any other form of private industrial enterprise in the United States.

Indeed, should the Government directly or through a lessee operate that great plant at Muscle Shoals itself and use all of its tremendous pecuniary resources in competition with its own citizens it could practically put out of business a large portion of all the thrifty and prosperous citizens of the United States. What sort of treatment is that for any respectable government to mete out to its own people? Could any conduct on its part be better calculated to sow the seeds of disaffection, not to say of revolt, in the bosom of its citizens?

Of course, I know, and the fact, I am sure, has not escaped the attention of any of you, that the reasoning of the Senator from Missouri [Mr. REED] yesterday fell entirely without the scope of the line of thought that I am pursuing. I agree with him that the Postal Department should be conducted by the Government and not by private enterprise. Unity of control, the more or less confidential nature of mail delivery, and other considerations besides mere pecuniary ones have to be taken into account when a community determines whether its post office department shall be a publicly conducted department or shall be a private enterprise. The Postal Department of the United States, even when it was in embryo during the colonial period, was conducted by the public. There is nothing back of it except primitive conditions, under which if a man wanted to send a letter he would go down to a coffee house or to a tavern and lay it on the table and ask the keeper of the house to be so kind as to see that it went by some passenger on the next ship. That was the way epistolary intercourse was maintained during the youth of Benjamin Franklin. The illustration of the Senator from Missouri is obviously not an apt one as respects such a case as I am discussing. There is no private post office agency of any sort in the United States competing with the Federal Post Office Department. Nor was the illustration of the Senator from Missouri de-

rived from the Panama Canal service a timely one. There is no private canal service in the United States competing with the Panama Canal service. Those cases differ toto coelo from the present one, where it is proposed that the Government or its lessee shall establish a great manufactory of fertilizers at Muscle Shoals and enter into competition with its own citizens.

And now, Mr. President, I need but call attention a little more specifically to the amendments that I have offered. The general effect of them all, there being five of them in number, is to prohibit the Federal Government or its lessee under the Underwood substitute from utilizing any nitrogen produced at Muscle Shoals for the manufacture of the full commercial fertilizers, of which nitrogen is but a single ingredient.

But before I take my seat I wish to revert to another phase of the general discussion which is not connected in any way with my present amendments. The Senate will remember that a few days ago I unavailingly endeavored to persuade the Senate to adopt an amendment that would bring any employees of the Government employed at Muscle Shoals under the provisions of the laws and rules and regulations relating to the Federal classified service. The wisdom of that, of course, was sharply and decisively challenged. One Senator, the Senator from Alabama [Mr. UNDERWOOD], for whom I repeat I entertain the profoundest respect, said he does not purpose to go to any school-teacher for the selection of employees of the Government at Muscle Shoals. The Senator from North Carolina [Mr. SIMMONS] said to me in this debate, "Do you mean that chemists for the Muscle Shoals enterprise are to be selected under the civil-service system?" Then the Senator from Mississippi [Mr. HARRISON], if I am not mistaken, said that these great works at Muscle Shoals had all been conducted free from the trammels of the merit system of appointment, and so on.

One of the truest things that ever was said by Disraeli was that knowledge is the soul of eloquence. I regret, and deeply regret, that when I offered that civil-service amendment my own knowledge of the subject that I was hastily called upon to deal with was not as ripe and full as it might have been, though I think that it would compare quite favorably with that on the same subject of the Senators to whom I have just referred. But I can speak with knowledge now. Such feeble eloquence as I may possess can be said at the present time to be animated by the knowledge which is the soul of eloquence, because I have just received a letter that I propose to read from an official in the employment of the Government who does know and knows precisely and accurately just what the Federal merit system of appointment had to do with the construction of that great plant at Muscle Shoals, and how far that system was tested by actual practical results there.

I ask that the Members of the Senate give their attention to this letter, and especially those Senators to whom I referred by name a moment ago. Mr. B. H. Clemmons, district secretary of the Civil Service Commission, under date of December 15, wrote to me as follows:

MY DEAR SENATOR: I desire to take this occasion to express my appreciation of the manner in which you have championed the merit system in your recent utterances on the floor of the Senate in connection with the Muscle Shoals bill. Of course, being connected with the Civil Service Commission as one of its field representatives, I am and have been for a number of years deeply interested in the progress of this great movement, and I noted with considerable regret some of the statements that were made by Senators who were not in agreement evidently with the things you had to say. It is quite evident to me that some of those who oppose the extension of the merit system to projects of the character of that under discussion have not gone to the trouble to fully inform themselves regarding the situation. One statement, for instance, was made as follows:

"These great plants and dams and locks have so far been erected and constructed without the application of the civil-service rules."

If my memory serves me right that statement was made by the Senator from Mississippi [Mr. HARRISON] but I may be wrong, as I have had no opportunity to refer to the RECORD.

Evidently, the Senator who made this statement did not know that the Wilson Dam has been constructed entirely by civil-service employees.

I had the honor to represent the United States Civil Service Commission at Muscle Shoals during the construction of nitrate plants 1 and 2 and a large part of the Wilson Dam. During my handling of civil-service matters there a maximum of over 5,000 employees was recruited through civil-service tests and placed on the work of building the dam.

Five thousand employees selected under the civil-service system for the purpose of constructing that dam! I call the attention of the Senator from North Carolina [Mr. SIMMONS] especially to this statement:

These employees covered every class from the highest-skilled professional engineers and technicians through the clerical and skilled-trades positions to that of common laborer. I do not believe that a higher grade of artisan and workman has ever been placed on any job handled either by the Government or private contractors.

Mr. SIMMONS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from North Carolina?

Mr. BRUCE. I yield.

Mr. SIMMONS. I have no desire to continue the discussion which I inadvertently precipitated with the Senator from Maryland a few days ago, but I want to ask the Senator if he sees no distinction or difference between the Federal Government doing work of this kind by persons selected through the civil service by its own officials and a private corporation which may lease from the Government being compelled to employ only such persons as may be selected by a Government agency upon such tests as that agency may see fit to apply instead of selecting them by itself and upon such tests as it may see fit to employ?

Mr. BRUCE. I have already made the statement, and it is hardly necessary for me to make it again, that my amendment did not contemplate the idea at all of any lessee under the Underwood substitute being required to select his employees with reference to the civil-service system of the United States. That situation takes care of itself. No lessee would be fool enough when he came to the selection of his agents and employees to ask whether they were Republicans or Democrats or to permit the paralyzing influence of the Federal spoils system of politics to creep into his private operations as lessee or contractor. No abuses of patronage whatever would cluster about the work if carried on by a lessee. If the Senator from North Carolina or I, the Senator from Maryland, were to go to such a lessee and ask him to appoint some one because he was a Democrat, he would laugh in our faces, and that is what he would do if any Republican were to approach him and ask him to appoint some one as an employee because he was a Republican. It is only in the event of this great work being carried on by the Government itself, with the danger of abuses of patronage springing up in connection with it, that my civil-service amendment would have any meaning.

I continue the reading of the letter:

The tests of the Civil Service Commission are so practical that they developed the highest class of employees. Besides this, there has never been any scandal regarding the employment and payment of the persons engaged on this work, as there was on other war-time projects, which you may recall, built for the Government without regard to civil service. It would seem from some of the statements made in the debates on this proposition that a number of the Senators are of the opinion that the Civil Service Commission at Washington would pass directly on the qualifications and employment of the employees at Muscle Shoals. They refer to the apportionment rule, when, as a matter of fact, the field service of all the departments of the Government is unapportioned, and I remember distinctly that employees were placed on those projects from practically every State in the Union, and this would be done very probably if the arrangement as proposed by you should be made effective.

With reference to the nitrate plants, I might say that plant No. 1 (the experimental plant) was completed and turned over to the Government before the war was concluded. While the construction of the plant was by contract, its operation after it was turned over by the Government was done by civil-service employees. Among these were included high-grade chemists and technicians and all of the other employees from that down to laborer.

I call the attention of the Senator from North Carolina, if he will allow me to invoke his attention, that the writer also states as follows:

While the construction of the plant was by contract, its operation after it was turned over by the Government was done by civil-service employees. Among those were included high-grade chemists—

That is the very class of persons that the Senator asked me whether I was willing to bring within the scope of my amendment—

chemists and technicians and all of the other employees from that down to laborer. Nitrate plant No. 2 was not operated to any extent under Government ownership but was turned over to the Government; and after this was done a great amount of research work was

carried on at the plant, and these employees, all highly trained, were selected under the merit system, except, of course, a few who were covered into the service having come with the plant from the contractor. The commanding officers at both of these plants, as well as the district engineer in charge of the construction of the dam, all said to me at different times that they were well satisfied with the operation of the merit system and appeared to be very appreciative of the results obtained under the commission's rules.

Not only has the merit system been tried particularly in the Muscle Shoals district but it is in operation, as is well known, at all navy yards, flying fields, and armor plants that are operated by the Government and, so far as I have ever been able to determine, has operated with the greatest satisfaction to the departments. I might also add that in the many veterans' hospitals that have been established throughout the United States practically all of the employees covering the skilled medical and surgical men, technicians, and lesser employees have been recruited through the merit system.

I hope that you will pardon this long letter from me, but I could not do otherwise than write it, having been as closely connected with the building of the plants at Muscle Shoals and the Wilson Dam as I was. I sincerely trust that you, as well as many other Senators, will continue in your good work looking to the extension of this system, which has proved practical, economical, and successful.

Believe me, I am,

Very respectfully,

B. H. CLEMONS, District Secretary.

So I think that there is very little doubt that when my civil service amendment was voted down a few days ago it was voted down with a very imperfect understanding on the part of the Members of the Senate of the extent to which the Federal merit system of appointment had actually been carried into effect in the operations of the Government at Muscle Shoals.

I know that one of the most conspicuous things in the history of Congress, notwithstanding the gradual expansion of the scope of the merit system of appointment, has been the reluctance with which it has from time to time extended that system; but sooner or later, under the pressure of public opinion, it has always extended it. It can at least be said that not since the time of General Grant have we ever had a President, either Republican or Democrat, who did not have a sufficient sense of the exalted nature of his office to extend further such a wise, fair, and beneficent system of appointment.

I am going to bring this subject up again in the Senate from time to time; the Senate may rest assured of that. I shall not do so at this session; it would be useless for me to do that; the time is too short; but at the next session of Congress, and at the next session after that, if necessary, I shall do so. There is no reason why the merit system of appointment should not be applied in full to the entire Panama Canal service; there is no reason why it should not be applied in full to the Emergency Fleet Corporation service, if that service is to be continued; there is no reason why it should not be applied in full to the Muscle Shoals project, if the Muscle Shoals project shall be carried on by the Government. At the next session of Congress I propose to introduce a bill seeking to extend the merit system of appointment to every one of these branches of the Federal service. Unless I mistake the character of the sensible, practical, and patriotic President who now occupies the office of the Presidency, we may at some later session of this body have still another recommendation from him that the Federal merit system of appointment be extended even further than he has already recommended.

Mr. COPELAND. Mr. President, before the Senator from Maryland takes his seat I should like to say a word about his reference to the ferry service of New York. If I understood the Senator, he stated that perhaps the Senator from New York would confirm his statement that the ferry service at the present time is operating at a deficit, which it did not do when it was under private ownership. Undoubtedly that statement is true, but you could not get the people of the city of New York to turn the ferry service back to private ownership, because, if I am properly advised, the public was so mistreated and exploited during private ownership that under no circumstances would the people consent to have the bad service which they endured in order that any theory of government in regard to public ownership might be carried out.

I am in full sympathy with the Senator from Maryland in his opposition to public ownership and operation, in general, but I think the reference to the ferry service was very unfortunate. I desired merely to say that much to the Senator before he took his seat.

Mr. BRUCE. I can not agree with the Senator from New York at all. For all practical purposes he has confirmed what I stated, except that some of his observations as to what I

said are not entirely accurate. What I said was—and, of course, my knowledge is derived entirely from the public press—that at one time in New York all ferry lines were being conducted by private enterprise, with a single exception, and that exception was the only one of those lines whose operations were marked by a grave deficit at the end of every year.

The Senator is probably adhering just a little too closely to his own bias in favor of publicly conducted utilities when he says that the people of New York would not tolerate any privately conducted ferries. May I ask the Senator from New York whether, even at the present time, there are not privately conducted ferries between Brooklyn and New York?

Mr. COPELAND. I think not.

Mr. BRUCE. The Senator "thinks not"; but I rely on the legal presumption that when one establishes the existence of a state of things at a particular time it is incumbent upon the other party to the controversy to show that there has been a change.

Mr. COPELAND. Mr. President, if I may be permitted to interrupt further, I think there are some rowboats, perhaps, that go across the river, but no public ferry, as that term is generally understood.

Mr. BRUCE. Of course, the Senator, as I understand it, is himself an advocate of Government operation; at least his votes, so far as they have fallen under my attention here have been usually inspired by that prepossession; but, even if it be true that at the present time there is any reluctance in any quarter in New York to go back to the private operation of any ferry, I should like to know how far that fact is due to the incumbency in the office of mayor of New York at the present time of an individual with such views as those of Mayor Hylan.

Mr. COPELAND. Mr. President—

The PRESIDING OFFICER (Mr. MEANS in the chair). Does the Senator from Maryland yield to the Senator from New York?

Mr. BRUCE. Certainly.

Mr. COPELAND. There is not any question, Mr. President, which could be put to me which I would more gladly answer than the one which has been suggested by the Senator from Maryland.

I recall that when he was first a candidate for the office, the present mayor of the city of New York was elected by a very handsome majority—I think about a quarter of a million. Four years later, after having given the people of the city an honest and very capable administration of the office, he appeared again before the people and was elected by a majority of almost half a million. He received, if I remember correctly, all the votes of the city except about 300,000; and I venture to say, Mr. President, that if Mayor Hylan were to be a candidate to-morrow for that office he would be reelected by a larger majority.

This great popularity of his is dependent largely upon the fact that he has stood out in that great city against the encroachment of private interests and has insisted that our public service corporations should be so conducted that the people should be served and not that capital alone should be served.

I think I am right in saying that we have a 5-cent carfare in New York City largely because of the activities of our present mayor; and I am here to state further that, in my judgment, there is no more popular public official in my city or State than is Mayor Hylan, who now holds that office, and who in my judgment next year will be reelected by a larger majority than he has ever before received.

Mr. BRUCE. Well, Mr. President, I am certainly not disposed to test the extent to which the Senator from New York is endowed with the gift of prophecy. I have never been in the slightest degree inclined to accept anyone as a prophet so far as election returns are concerned.

My information with reference to the present popularity of the Hylan administration is very different from that which the Senator seems to possess. We all know what are his general convictions on all subjects relating to the larger private enterprises of the city of New York. As I look at it, the street transportation service of New York has been most unwarrantably impaired by unfair and unjust treatment on the part of the city administration of New York, and I confess that when I have read the attacks of his honor, the mayor of New York, on Wall Street—his savage, truculent attacks—my disposition has been not so much to side with his ideas as with those of the good old lady in the recent Democratic convention, Mrs. Barrett, who said she believed that Wall Street was just as much a part of the United States as Main Street. So do I, except I think it has to be watched just a little more vigilantly.

Mr. COPELAND. Mr. President—

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from New York?

Mr. BRUCE. I had concluded, but I will resume my feet for the purpose of accommodating the Senator from New York.

Mr. COPELAND. Mr. President, I was simply going to comment to this extent, that I look upon the Senator from Maryland as a very able lawyer, but I am sure, at least I hope, that the Senator formed his opinion about the pending bill not by such hearsay evidence as he has formed his opinion about the mayor of the city of New York.

Mr. President, we have had very much discussion of the pending measure, and in my judgment the time has been well spent. There is at stake here the future of a great enterprise, vital in many ways to the welfare of our country. It is vital because it will supply fixed nitrogen for explosive purposes in time of war. It is vital because it will supply fertilizer to the depleted farms of the country in time of peace.

At times the debate has been somewhat heated, and why? As I have discussed the matter with my colleagues it has seemed to me that the question uppermost in every mind is the theory of government involved in public ownership. They are asking whether or not it is wise under any circumstances for the Government to own and operate a plant of this sort.

I think I take second place to no one in the Chamber in opposition in general to the idea of public ownership and public operation; but we have here a property upon which the Government has expended already \$135,000,000. Before the plant is completed it will cost \$150,000,000. At this late moment, after this great expenditure, there are some in the Chamber who would vote for anything in the way of a lease or sale of the property in order that the Government might be relieved of its continued ownership and operation.

If a case of smallpox has been in a house for three weeks, there is no use in taking the patient out. The family is already exposed to the disease. If there is a case of smallpox just reported in the community, certainly take it away, so that nobody may be exposed. We have already been exposed to public ownership and operation of this enterprise. I do not think it would hurt us a bit if we should continue the public ownership and operation until we determine what is the ultimate good of the country in the final disposition of the property.

I favor the Norris bill in preference to the Underwood bill. That is, I prefer the Norris bill, with certain amendments which I should insist upon having if I were to support it. I want to speak of one of them now, while I have it in mind.

There is a proposition in the Norris bill to lease certain property, which is placed first under the Secretary of Agriculture. If he so wishes, he can lease it, which, to my mind, is a fatal defect in the bill. Until we have determined what should be the ultimate fate of the property it seems to me a wicked thing to tie ourselves up by a long lease of 50 years of any part of it. It is particularly absurd to do this simply because we do not now know what else to do with the plant.

My judgment is, Mr. President, that it is wise to let the Secretary of War finish the dam, complete the work. In the meantime, as the Norris bill provides, let the Secretary of Agriculture go forward with his experimentation in the making of fertilizer, in order that that product may be cheapened for the farmer.

After this experimentation has been completed, after it has been determined how much power is needed by the Secretary of Agriculture for the experimentation and ultimately for the manufacture of fertilizer, it can then be determined whether the remaining power shall be sold or leased. It can then be determined whether the manufacture shall be increased and the Government continue in the making of fertilizer on a larger scale than we now consider possible.

The point I have in mind and the thing I want to say to Senators is that, as I view it, we have not yet found out what is the wise thing to do in the final disposition of this property. We do not know whether it is wise to lease it or sell it. We do not know whether the making of fertilizer should be turned over to private hands.

Every expert who has testified has spoken of the work of Doctor Cottrell and the splendid investigation which has been made by the Agricultural Department—work which has cheapened the making of fertilizer, work which has resulted in methods of making fertilizer so that a reduced quantity of power is necessary in its making. So I say let us go forward with this work for the next 2 or 3 or 4 or 5 or 10 years, until we know what really should be done. As I view the matter, it

is unwise to enter into a long-term lease. If we do that, the property is out of our hands, and we do not now know what should be done with it ultimately.

Mr. McKELLAR. Mr. President—

Mr. COPELAND. I yield to the Senator from Tennessee.

Mr. McKELLAR. Does the Senator know of any power company that is now manufacturing nitrates for fertilizer purposes?

Mr. COPELAND. No, sir. I know that in my own State, at Syracuse, as a by-product, there is some fertilizer being made, but not by a power company.

Mr. McKELLAR. I take it that none of the power companies are manufacturing. There is no provision in this bill by which they shall experiment or manufacture.

Mr. COPELAND. Why should they use their power for the making of fertilizer when they can sell it and turn it to so much greater financial advantage by using it for power purposes exclusively?

Mr. McKELLAR. Mr. President, if the Senator will yield to me—

Mr. COPELAND. I yield.

Mr. McKELLAR. In 1912, when the Coosa power act was being debated in the House—and, by the way, that was a bill by which the Alabama Power Co. was given the right to dam the Coosa River in Alabama at the Coosa Shoals—the Senator from Alabama [Mr. UNDERWOOD] and I were both in the House, and here is what was said by the Senator from Alabama on that subject:

Now, what they propose to do—

That is, the Alabama Power Co.—

is to spend \$1,600,000 to help make this river navigable and allow the Government to use all the water it needs for navigable purposes and then take the balance of the power created, not for the purpose of selling electricity for light or heat, but for the purpose of manufacturing cyanamide, or lime nitrogen, and fertilizer for the benefit of the farmers of Alabama and of the South.

In 1912 the Alabama Power Co. was given the Coosa power site by the Congress on the argument that that company was going to manufacture nitrates for the use of the farmers of Alabama and the South. I have never heard of that company manufacturing a pound of fertilizer. It is selling the power, just as it said it would not do in that case. So I want to say to the Senator that sections 3 and 4, which require probably this very company to make nitrates for farmers, do not appeal to me very much. The same argument was used 12 or nearly 13 years ago—that the Alabama Power Co., if given this great grant of power on the Coosa River in Alabama, by which 60,000 horsepower was generated, were going to make fertilizers for the farmers of the South. It has not been done.

Mr. COPELAND. It must be assumed, Mr. President, that the reason why it has not been done is because it was not found to be profitable to make fertilizer. They could use that power to much greater financial advantage in another way. That is what would happen at Muscle Shoals, probably. We have had only one witness before us testifying to the effect that fertilizer could be cheaply made at Muscle Shoals. I think the Senator from South Carolina read into the Record a letter from one of the Government experts stating that it can be cheaply made, but it is the opinion of the Committee on Agriculture and Forestry, if I rightly understand the statement of the Senator from Nebraska, that the processes of manufacture of fixed nitrogen have not yet been so perfected and so cheapened that it can be made commercially and advantageously at Muscle Shoals.

So, then, it must follow that if this property were leased, and granting that the lessee would carry out the contract to the extent of making the 40,000 tons per year provided by the Underwood bill at the end of six or eight years, there is no reason to believe at this moment that any more than that quantity would ever be made.

We are not yet prepared to make final disposition of this property. Let the experimentation go forward. That is the most valuable thing, outside of the development of power itself. The experimentation at Muscle Shoals is the valuable thing for the country. Let that go forward. It can not go forward in a laboratory. The same thing which is successful in a test tube is rarely successful when applied commercially, when applied on a large scale. It strikes me that the wise thing is to continue our work there through the Department of Agriculture, in order that there may be developed, as undoubtedly there will be developed, cheaper methods and

better methods of making fertilizer. When we have settled that question, when we have demonstrated that fertilizer can be made cheaply, that it can be made commercially a profitable product, then the natural thing for the lessee, if we ever get one, will be to use the power for making fertilizer. So out of a wait of two or three or four or five years we may develop the knowledge of fertilizer making so that all the tremendous power at Muscle Shoals shall be used for this thing. That is what the farmers of this country are crying for, and to attain that is my appeal to the Senate.

Mr. WALSH of Montana. Mr. President, I regret that the Senator from Alabama seems to have changed his mind about the advisability of incorporating in his substitute bill the amendment proposed by me a few days ago.

Mr. UNDERWOOD. Mr. President, if the Senator from Montana will yield, I will say to him that if he will make his amendment extend so far as to apply both to a lessee and to the Government corporation I shall have no objection to it.

Mr. WALSH of Montana. No; I could not consent to that; but, Mr. President, if that is the only objection the Senator has to the amendment, it can be easily obviated by adopting the suggestion made by me the other day to the Senator from New York, namely, to add another brief section saying that "the provisions of the foregoing two sections shall equally apply to the corporation to be created under the provisions of the bill."

Mr. UNDERWOOD. I will say to the Senator that I think his amendment and the language of the bill will result in practically the same thing; and therefore, I am not willing, unless I am compelled to do so, to take any risk of striking out the provisions of the bill which apply to the corporation.

Mr. WALSH of Montana. I wanted to show to the Senator, and I think I can, that the provisions of section 10 are by no means equivalent to those offered by me. As a matter of course, if in my judgment they were, I never should have offered the amendments.

There are, therefore, two considerations to be borne in mind in connection with the determination of the advisability of adopting the amendments proposed by me. First, does section 10 cover the case as completely and effectually, so far as the lessee is concerned, as do the amendments offered by me? Second, is it advisable to put the Federal corporation, in its operations, under the control of the local authorities? If that is desirable, as I have indicated, it would be a very easy thing to make the provisions of sections 10 and 11 as proposed by me applicable to that corporation. I shall address myself to that presently.

I want to call attention to the fact that there is a very essential difference between section 10 as it appears in the substitute and sections 10 and 11 as proposed by myself. I might say, in this connection, that these two propositions represent concretely one of the most spirited contests waged in connection with the passage of the water-power legislation. Section 10 of the amendment known as the Underwood amendment is substantially the same as was the provision in the so-called Shields bill which was adopted by the Senate, but which the House at that time declined to concur in. That bill contained a simple provision that in the matter of rates to be charged, they should be subject to regulation by the States in which the power was used. The controversy went on for a long time, and the record is a very lengthy one. Eventually the two houses of Congress rejected that provision of the Shields bill, and incorporated in the water power act the provisions which have become the basis of this amendment proposed by me.

If I may have the attention of the Senator from Alabama, the first sentence of section 10 of my amendment is substantially the same as section 10 in the Underwood amendment. Section 10 in the Underwood amendment contains no such provision whatever as is found in the second sentence of section 10 in the amendment proposed by me. That amendment reads as follows:

That as a condition of any lease, entered into under the provisions of this act, every lessee hereunder which is a public-service corporation, or a person, association, or corporation developing, transmitting, or distributing power under the lessee either immediately or otherwise, for sale or use in public service, shall abide by such reasonable regulation of the services to be rendered to customers or consumers of power, and of rates and charges of payment therefor, as may from time to time be prescribed by any duly constituted agency of the State in which the service is rendered or the rate charged.

With the use of a few more words that is substantially section 10 of the Underwood amendment, which reads:

The surplus power not required under the terms of this act for the manufacture of nitrogen or fertilizer, when sold or used shall be subject to the laws, rules, and regulations relating to the sale and use of electric power in the several States in which said power is used.

But the amendment proposed by me goes on as follows:

That in case of the development, transmission, or distribution, or use in public service of power by any lessee hereunder or by its customer engaged in public service within a State which has not authorized and empowered a commission or other agency or agencies within said State to regulate and control the services to be rendered by such lessee or by its customer engaged in public service, or the rates and charges of payment therefor, or the amount or character of securities to be issued by any of said parties, it is agreed as a condition of such lease that jurisdiction is hereby conferred upon the commission created by the act of Congress approved June 10, 1920, upon complaint of any person aggrieved or upon its own initiative, to exercise such regulation and control until such time as the State shall have provided a commission or other authority for such regulation and control: *Provided*, That the jurisdiction of the commission shall cease and determine as to each specific matter of regulation and control prescribed in this section as soon as the State shall have provided a commission or other authority for the regulation and control of that specific matter.

Mr. President, it is said that is entirely unnecessary here, because the only State in which the power will be produced is the State of Alabama, which already has a regulatory authority, or commission. But it by no means follows that the act establishing that authority may not be repealed by the legislature of the State of Alabama at any time, and then there would be no regulation. Moreover, it may be that the act is not sufficiently comprehensive, that it does not touch some specific matter referred to whereby the jurisdiction over that specific matter would be lodged in the Federal commission. For instance, under this the Federal authority is authorized to regulate the amount of securities which may be issued by any corporation which secures power from this source for distribution as a public utility, and that was put in the act because it was unfortunately a very common thing that securities of these utilities companies were scattered all over the country, and passed into the hands of what might be spoken of as innocent holders, and to regulate the price upon the basis of the actual investment would result in great hardship and injury to such so-called innocent purchasers. Accordingly, there was always a great pressure brought to bear upon the commission or regulatory authority to take into consideration the perplexing situation of these so-called innocent holders. So it was deemed wise that the Federal commission should have the authority to superintend the issuance of securities, at least as to the amount that was to be issued by these companies which were to become the ultimate distributors of the power thus developed. Whether or not the statute of the State of Alabama authorizes the commission to exercise any such authority my study has not fully convinced me. However, as I have indicated before, that commission may be abolished at any time by the Legislature of the State of Alabama, or its powers may be restricted in one way or another. I think it unwise not to have a provision of that character in the bill.

Section 11 of the amendment proposed by me covers a situation that is not touched at all by section 10 of the Underwood amendment, and that contemplates the case of a conflict between the laws or regulations of two or more States through which the power passes. As I indicated in a colloquy with the Senator from Louisiana a few days ago, the Underwood substitute provides that the rates shall be regulated by the regulatory authorities of the States in which the power is used, respectively. That is to say, it will be carried, we will say, into the State of Tennessee for distribution in the State of Tennessee, and the rates there will be regulated by the authority of the State of Tennessee. It will be carried into the State of Kentucky, for instance, and the rates will be regulated by the regulatory authority of the State of Kentucky. But there may be the most serious conflict between the acts of the regulatory bodies of these two States, and the tendency of course will always be to make the rates, for instance, in the State of Kentucky less than the rates in the State of Tennessee, for the purpose of attracting industrial enterprises to the State of Kentucky, and of course the State of Tennessee will come back at them and reduce their rates below the rates exacted in the State of Kentucky, and there will be constant competition between these various States to

reduce the rates and to reduce them to such a point as will threaten the success of the governmental enterprise.

Thus it becomes necessary to institute some kind of machinery that will harmonize the regulations of the various States through which the power is to go, and that is the condition that was contemplated by section 20 of the water power act, which has become section 11 of the amendment tendered by me, which reads as follows:

That when said power or any part thereof shall enter into interstate or foreign commerce the rates charged and the service rendered by any such lessee, or by any subsidiary corporation, the stock of which is owned or controlled directly or indirectly by such lessee, or by any person, corporation, or association purchasing power from such lessee for sale and distribution or use in public service shall be reasonable, nondiscriminatory, and just to the customer, and all unreasonable, discriminatory, and unjust rates or services are hereby prohibited and declared to be unlawful; and whenever any of the States directly concerned has not provided a commission or other authority to enforce the requirements of this section within such State or to regulate and control the amount and character of securities to be issued by any of such parties, or such States are unable to agree through their properly constituted authorities on the services to be rendered or on the rates or charges of payment therefor or on the amount or character of securities to be issued by any of said parties, jurisdiction is hereby conferred upon the said commission, upon complaint of any person aggrieved, upon the request of any State concerned, or upon its own initiative to enforce the provisions of this section, to regulate and control so much of the services rendered, and of the rates and charges of payment therefor as constitute interstate or foreign commerce, and to regulate the issuance of securities by the parties included within this section, and securities issued by the lessee subject to such regulations shall be allowed only for the bona fide purpose of financing and conducting the business of such lessee.

Two other formal provisions, of no consequence here, I do not read. These provisions were at that time all regarded as entirely necessary for the protection of the public interests. They are carefully thought out; they are the result of earnest debate and of very sincere consideration of the entire subject by both Houses of Congress, and I particularly desire to impress upon the Members of the Senate who do me the honor of listening to these remarks the view that these provisions were adopted by the Senate in substitution for exactly the provision which is now incorporated in the Underwood substitute and becomes section 10 thereof. So much for that.

With respect to the other phase of the question, I insist that if there is no other objection to these provisions than that they do not apply in the case of the operation of the property by the corporation, the creation of which is provided for in this bill, that can be easily taken care of by a simple provision making them applicable to that kind of a corporation. But I am convinced that that is fundamentally wrong. I am convinced that we should never invest forty-five million or a hundred and thirty-five million or a hundred and fifty-five million dollars, whatever the sum may be, in an enterprise of this character by the United States through a corporation which it itself creates, the managing authority of which is the Secretary of War and four other men to be appointed by the President of the United States, and then to turn over to some local authority the matter of the rates that shall be charged for the power thus developed. I do not know how that kind of a proposition can be sustained before a body as reflecting as this.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Arkansas?

Mr. WALSH of Montana. Certainly.

Mr. CARAWAY. The Senator's proposed amendment would regulate the use and distribution and sale of power by the lessee. He recognizes the wisdom of the State in controlling the conduct of a business if it is to be done by some one to whom the Government has leased the property. Ought the Government to want any advantage in itself? Ought it to be willing to hamper a citizen and make the citizen carry a handicap it would not carry itself if it were engaged in the business?

Mr. WALSH of Montana. That is not the situation at all.

Mr. CARAWAY. Why is it not?

Mr. WALSH of Montana. Simply because the Government is not going to engage in this business for the purpose of enriching itself. A private corporation is going to engage in it for no other purpose. The Government is not going to make a dollar out of the thing. It is going to create a corporation not for the purpose of pecuniary gain at all, and it is to be supposed that the Government corporation, directed by a board

of directors consisting of the Secretary of War and four officers of the Government appointed by the President of the United States and confirmed by the Senate, is not going to make rates which will be oppressive in any character. But if they are oppressive the consumer of the power has an opportunity to go before that board and complain and insist that the prices he pays are too high, and they have no interest whatever to observe, so far as anybody can discover, except to do what is just in the premises.

Mr. CARAWAY. Then if it does not intend to do it, why does it object to regulation? The principle underlying it is the unwillingness to permit the State to have anything to do with the regulation of business within its borders.

Mr. WALSH of Montana. Oh, no. The Senator really could not attribute that to me, and I do not think he can entertain any such an idea himself.

Mr. CARAWAY. Oh, Mr. President—

Mr. WALSH of Montana. Just a moment.

Mr. CARAWAY. Do not say I did not mean what I said without being willing to allow me to make a statement.

Mr. WALSH of Montana. I do not think the Senator meant that.

Mr. CARAWAY. I do not understand the English language, then.

Mr. WALSH of Montana. I regret always that the Senator and I never seem to engage in controversies about these matters without some heat being displayed. The Senator entertains a different view about the matter from my own.

Mr. CARAWAY. I was perfectly willing to concede that the Senator was entirely right, but the Senator said I could not entertain such an idea and could not get it from the language he used. I think I did.

Mr. WALSH of Montana. The remark of the Senator that the principle is that we do not want to allow the States to conduct business within their own borders could be hardly attributed to me.

Mr. CARAWAY. That is not exactly what I said, either. I said that it was unwilling to permit a State to regulate business within its borders. I do not think there is anything sacred about the National Government that it ought to be permitted to override State regulations and conditions under which private individuals do business in the States. The Government ought itself to be willing to accept them. I have never been able to make up my mind that all the wisdom there is is within the possession of those who happen to be upon the Federal pay roll.

Unless I do not just comprehend anything at all—and I am perfectly willing to concede the Senator knows much more about it than I do—I do not know what other theory there is than that we are not willing to let the State have anything to do with the business if the Federal Government is conducting it, and yet write into the bill that if the Federal Government turns it over to a private individual the State may regulate that business.

Mr. WALSH of Montana. I was trying the best way I could to point out the difference between the two situations. I think the situation was clearly put before the Senate the other day by the senior Senator from Missouri [Mr. REED]. The only purpose that was ever intended to be subserved by these regulatory bodies, the only occasion for their existence, arises from the fact that powers will be given to the public utility corporation. They exist for the sole purpose of making money for their stockholders and naturally it is to be expected that they will fix the rate with special regard to their own interests and to subserve their own purposes and regardless of the interests of the consumers. The Government of the State therefore steps in to preserve its citizens and the users of the service in the State from the greed and rapacity of the public utility corporation.

Mr. CARAWAY. May I suggest that the regulation goes beyond the question of fixing prices? It goes to its distribution, and I am persuaded, however mistaken I may be, that a board created in the State might have more information about what would be a wise and just and economic distribution of power in the State than somebody who never saw the State and who happens to be clothed for the time being with a little brief authority from the Federal Government. That is the idea I had.

I certainly beg the Senator's pardon, because I was wrong in what I said a moment ago. I had no intention when I said it of antagonizing the Senator personally. I have felt that the Federal Government ought to be big enough to recognize the rights of the States and not seek to thrust itself into business through the form of a corporation, and then say to the State, "You may regulate all other people, but when I come in I am

sovereign and you must not touch me. I can do no wrong." It is to me at least treating the States without proper consideration, without any regard to whether or not the State is inclined to be fair or unfair. It is just saying, "I will not trust you at all. When I create a business and put it into competition with people who are doing business in your State, I am not going to let you touch me. I will distribute the power and sell the power, and I will favor this and discriminate against that, and you can not prevent it. You can regulate everybody else's business, but you are not to be consulted how I do business in your State." That is the impression I have of the purpose.

Mr. WALSH of Montana. That argument has no force with me.

Mr. CARAWAY. I understood that.

Mr. WALSH of Montana. None whatever.

Mr. CARAWAY. I understood that.

Mr. WALSH of Montana. It has no force with me because the very basis of it is wanting. What reason is there for supposing that a State in reference to a matter of this kind will exercise a greater degree of judgment and wiser discretion than the Federal Government?

Another thing I should like to understand is where and when a sovereign has ever submitted its operations to the regulation of another sovereign authority. I do not speak of it on technical grounds at all, but there is something entirely repugnant in the idea. Go back to the establishment of the United States Bank. When the Government of the United States engaged in the banking business, would it tolerate for a moment that the operations of the United States Bank should be regulated and controlled by laws enacted in the various States? We all know that many of the States enacted laws that were inimical to the operations of that bank and intended to destroy its efficacy as a business institution and to drive it out of business.

It is not to be imagined that any of the States will do anything of the kind here, but here is a great enterprise into which the Government of the United States has put an enormous amount of money. More than that, the prime object of the entire enterprise is to permit the production of fixed nitrogen as a safeguard against exigencies that may confront us in case of a war. In order to do that it becomes necessary to conduct the enterprise with some degree of business success. The production of nitrogen is inextricably intertwined with the production of power, if not distribution, for industrial and other uses. It follows that the State authorities can not have the information and the knowledge concerning the relation which the one part of the plant bears to the other to do what is just and right concerning the whole enterprise. So that I think we would imperil the whole thing by placing under the control of the States the regulation of the prices if the whole thing is to be conducted by the Federal Government.

But, as I said, if that is the only objection to it, we can take care of that all right. Of course, the real objection to it is the objection that these regulatory features go further in the amendment proposed by myself than section 10 in the Underwood amendment. I believe the results achieved in the struggle through which we went in connection with the water-power legislation ought not now to be abandoned with respect to the great water power that is here to be developed, and that we ought to throw around the distribution of it exactly the same safeguards that we thought wise to provide for in connection with that legislation. That can only be done by the adoption of provisions such as those I propose.

Mr. HOWELL. Mr. President, the junior Senator from Maryland [Mr. BRUCE] during his remarks referred to the comparisons I had made between electric-light plants in Cleveland and Lincoln on the one hand and electric-light plants in certain other cities of the country, and suggested that the favorable showing for the two cities named might be due to the fact that their plants were municipally operated and therefore not operated in accord with business principles. I assume this much because he inquired whether provision had been made for depreciation and suggested that there might possibly have been other omissions. I call attention to the fact that with the exception of the Cleveland municipal plant my comparisons were between privately operated plants only. True, I did compare the rate for 40 kilowatts a month afforded by the municipal plant in Cleveland with rates in certain other cities, but otherwise my comparisons were between the rates charged by privately operated plants affected by and unaffected by public competition.

Let us consider the electric-light rates in Maryland, in the city of Baltimore, in which the junior Senator from Maryland [Mr. BRUCE] resides. The city of Baltimore has a population of about 775,000, and there are probably in that city

160,000 consumers of electric light. The energy supplied is secured from steam and water, and the charge for 40 kilowatts per month is \$3.20 net. Compare that rate with the rate charged by the publicly owned plant in Cleveland, and we find that it costs 166 per cent more in the city of Baltimore for 40 kilowatts per month than it does in Cleveland, which enjoys public competition. Comparing the rate charged in Baltimore with the rate charged in Cleveland by the privately owned plant, we find that the people in Baltimore pay 60 per cent more for 40 kilowatts a month than do the people of Cleveland to the privately owned plant, and 52 per cent more than do the people of Lincoln, Nebr., a city of 58,000 inhabitants, pay to a privately owned plant. I am using for comparison only one public enterprise, the Cleveland publicly owned plant; my other comparisons being wholly between privately owned plants, some of which are located in cities where there is public competition.

Mr. WATSON. If I understand, in Cleveland there are both publicly and privately owned plants?

Mr. HOWELL. Yes, sir. One-third of Cleveland is supplied by a publicly owned plant.

Mr. BRUCE. Mr. President, may I ask the Senator from Nebraska a question?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Maryland?

Mr. HOWELL. Certainly.

Mr. BRUCE. If electricity is supplied by the publicly owned plant in Cleveland on such satisfactory terms, why should there be any privately owned plants at all there? There must be some inferiority of service or something else that keeps the privately owned plants alive and active.

Mr. HOWELL. One of the reasons why the people enjoy a lower rate in Cleveland or elsewhere where there are two plants, one owned by the public and one by private individuals, is because of public competition. It appears that the lower rate is obtained in various cities by merely affording competition for a part of the business. Potential, threatened competition as a result of partial service gives a lower rate to the entire city.

Now, let me give the Senator another example in his own State of Maryland. I find that in Cumberland, Md., with a population of 32,000, the consumers pay the same rate as in Baltimore, but I find that in Hagerstown, Md., a town of 30,000 inhabitants, the consumers pay the same rate there that they do, for instance, in Omaha, where the rate has been reduced from 14 cents to 5½ cents per kilowatt hour; in other words, in Hagerstown, Md., in spite of the rate charged in Baltimore, the people have this low rate. Why? Because there is in Hagerstown a publicly owned plant, and as a consequence the privately owned plant serves Hagerstown, Md., at \$2.20 for 40 kilowatts per month.

Mr. BRUCE. Mr. President, may I interrupt the Senator for a moment?

Mr. HOWELL. Certainly.

Mr. BRUCE. Does the Senator know whether the publicly owned plant in Hagerstown derives any special advantages or privileges or perquisites of any kind from the general municipal government of Hagerstown? Does he know what rent it pays for the space that it occupies? Does he know whether it makes any proper allowances for depreciation, such as a private concern has to do?

It is no uncommon thing—and I am sure the Senator has had such instances brought to his attention—for a publicly conducted utility or industrial enterprise to exist in a community and for private enterprises of the same description to be in active competition with it, notwithstanding that they charge higher rates, because very often the service of the public plant is so inferior and so unsatisfactory that the people of the town prefer to pay the higher rate to the private enterprises. I have known that to be true in Maryland more than once. It is true in a measure of the competition between the Federal parcel post and the express companies. Why do not the express companies all go out of existence, notwithstanding their rates, if I am not mistaken, are higher than those of the Federal parcel post? It is because their service is more efficient and satisfactory on the whole than is the parcel-post service, if I can believe the testimony that has come to me from many different sources. I personally feel that way myself about the matter. When I want to send something that is very valuable to any great distance, I usually intrust it to the hands of the express company rather than to the parcel post, because I know that the express service is a highly satisfactory and efficient service.

It seems to me that the error of the Senator from Nebraska consists in the fact that he does not tell us what special

conditions environ each one of these publicly conducted plants. There are all sorts of things we must know before we can enter into the comparative merits of publicly owned plants and privately owned plants which are engaged in business enterprises. As I have said, we want to know how much space the municipally conducted plant gets free of cost, or practically free of cost, and what other concessions are made to it.

In the State of Maryland we have some considerable exemptions from taxation in the case of enterprises of one sort or another. I should also want to know whether or not proper allowances are made for depreciation; but the Senator from Nebraska does not enter into those factors at all. He selects a municipal plant in Cleveland and compares it with a private plant in Baltimore, or he selects a municipal plant in Lincoln, Nebr., and compares it with a private plant in Cumberland, Md., or in some other town. The Senator does not let us know what are the factors which we must consider before we can make the comparison.

Mr. HOWELL. The Senator misunderstands me. I am not merely comparing a municipal plant in Cleveland with a privately owned plant in Baltimore. I am comparing a private plant in Cleveland with a private plant in Baltimore. I am not comparing a public plant in Hagerstown, Md., with a privately owned plant in Baltimore. I am comparing a privately owned plant in Hagerstown, Md., with a privately owned plant in Baltimore. I am showing that in Hagerstown, Md., 40 kilowatts a month are supplied by a private plant for \$2.20 a month, whereas in Baltimore the charge is \$3.20 a month; further, that the reason why the private plant in Hagerstown supplies 40 kilowatts at that rate is because there is a municipal plant in Hagerstown which is in competition with the private plant. If such a reduction were made in Baltimore, Md., assuming a saving per service of merely 50 cents a month and not \$1, it would save the people of the Senator's city about \$1,000,000 a year.

Mr. BRUCE. Hagerstown, of course, I remind the Senator, is a relatively small town. Rents doubtless are lower there than they are in Baltimore. Less is paid there for street franchises, I imagine, although I do not know that such is the case, and I would have to inform myself on that subject. But the several elements of expense that enter into the operation of a plant in Hagerstown are different in scale of magnitude from the elements of expense that enter into the operation of an electric plant in a great city of 750,000 inhabitants. One great difference, I suspect, is the matter of taxation. As is true of every great city in the country, we have a high tax rate in Baltimore.

Mr. HOWELL. Do I understand the Senator to suggest that it costs less to furnish electrical energy in Hagerstown, a city of 30,000 inhabitants, than it does in Baltimore?

Mr. BRUCE. I want precise assurance as to that.

Mr. HOWELL. The Senator is suggesting that it is so, and I presumed he knew.

Mr. BRUCE. I say I wish to know what the peculiar special conditions in each case are. It may be true.

Mr. HOWELL. I wish to say that the larger the units engaged in developing electric energy the cheaper the energy can be produced. I wish to state further that in Baltimore the electrical energy is supplied by both water power and steam, while in Hagerstown it is supplied by steam alone. Such facts should call to the attention of the Senate the tremendous rates that are being charged throughout the country for electrical energy—unreasonable rates, rates that apparently can not be, as they have not been, justly regulated by public-utility commissions. Such bodies seem to have utterly failed in this respect.

I am further pointing out and drawing the lesson that the only way the people of this country can be rescued from these excessive rates is through public competition or threatened public competition. That is why I am urging that this great plant at Muscle Shoals shall be maintained by the public for the purpose of bringing down electric-light rates throughout the country. Mr. President, if such competition were made effective in a single year there would be saved throughout the country the \$140,000,000 which the plants at Muscle Shoals have cost. Consider the city of Baltimore, with 160,000 consumers, assuming that the saving would not be a dollar per month—although that is the difference between the rate in Hagerstown and the rate in Baltimore for 40 kilowatts—but that it would be 50 cents, that would equal \$80,000 a month or about a million dollars a year saved to the people of Baltimore alone.

When we realize that here in the city of Washington the consumers are paying 10 cents a kilowatt-hour while in Balti-

more they are paying 8 cents, or in Washington the consumers are paying \$4 for 40 kilowatts while in Baltimore they are paying \$3.20, and in Hagerstown, Md., a little town of 30,000 inhabitants, but \$2.20, is it not apparent the unnecessary burden the people of Washington are laboring under? It must further be borne in mind that the public-service commission has been endeavoring since 1917 to reduce the rates for, say, 40 kilowatts here in Washington from \$4 to \$3.20, and the commission's impotency is illustrated by the fact that it has not been able to accomplish it yet.

Mr. BRUCE. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Maryland?

Mr. HOWELL. I yield.

Mr. BRUCE. Does not the Senator think that if the people of Baltimore city could get their electricity more cheaply through a public plant they would do so, in place of the present Consolidated Gas & Electric Light Co. of Baltimore?

The people of Baltimore city have a reasonable measure of intelligence. They are not under the compelling sway of any sinister political influences, I am happy to say, in the administration of their government. They have, on the whole, a judicious, honest, efficient government. They most assuredly would set up a municipal electric plant in Baltimore but for the fact that they think that if they did their electricity would cost them a great deal more than under the present conditions.

As to the contrast between Hagerstown and Baltimore, I have in my lifetime known many a citizen of Baltimore in rather declining circumstances to leave Baltimore and go out and take up his residence in one of the provincial towns of the State because it was so much cheaper to live there than it was in Baltimore. Comparatively speaking, it is just as expensive for a corporation to live in Baltimore as it is for an individual. The whole scale of expenses of operation in Baltimore is different from the scale in Hagerstown, or Annapolis, or Frederick, or any small town in Maryland, of course.

Mr. HOWELL. Mr. President, it must be recognized that it costs less to develop electrical energy in great units, such as are possible in Baltimore, than in a city like Hagerstown, Md., with 30,000 people.

Mr. BRUCE. Mr. President, may I interrupt the Senator again?

Mr. HOWELL. Just a moment, if I may continue.

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. HOWELL. Then, further, I want to assure the Senator from Maryland that the people in Baltimore and the people in Omaha are not different. They are quite alike. For years they submitted to tremendous charges for electrical energy—in Omaha, 14 cents a kilowatt-hour in 1912, in the piping times of peace; but there were forces in Omaha that rebelled and said: "We will not stand for this longer. We will put in our own plant." Down came the rate to 12 cents, then to 11 cents, and then in 1916, just before the war, down to 8½ cents; and the day before the legislature met in 1917, fearing that authority would be granted the city of Omaha to put in a municipal plant, the rate went down to 6 cents, right in the midst of war, and since has gone down to 5½ cents, because of the fear of public competition. If the people of the city of Baltimore knew this lesson as they ought to know it, if the able men of Baltimore would lead their people in a fight for reasonable rates, they could have 5½-cent electricity in Baltimore—if not less—just as we have it in the city of Omaha.

Mr. BRUCE. Mr. President, may I interrupt the Senator just once more? Then I shall have nothing more to say on this subject.

We attempted once, on a very small scale, to set up a public electric plant in Baltimore. We set up one in our courthouse building for the purpose of illuminating the courthouse, the city hall, and municipal buildings generally. As small, comparatively, as that plant was, the results were so unsatisfactory that we abandoned it. We found that only with difficulty could the city of Baltimore run a small electric-light plant requiring a high degree of technical skill as a private corporation would have run it.

In other words, the operation even of that small plant was attended with the usual waste and inefficiency and pecuniary loss which, so far as my observation goes, invariably attends an attempt on the part of a city or of a State or of a government to conduct an industrial enterprise.

Mr. HOWELL. Mr. President, the mere suggestion that the installation of a plant sufficient to light a courthouse or one or two other municipal buildings would afford effective competition in connection with a great plant provided to light a great city is all but absurd. Such a plant could not be expected to result in that way. There is only one condition under which you can afford to put in a small plant of that kind, and that is with a view of using the exhaust steam for heating. However, in great cities, with great plants, they will often make the rate so low for electrical energy that a big building owner can not even afford to put in such a plant. When it comes to dealing with the common people, however, the man in the cottage, those who need to save, there they boost the rates; there they bear down, just as they do here in Washington.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. HOWELL. I do.

Mr. GLASS. I am a little curious to know why it is, if the public plant in Cleveland sells its electricity so much cheaper than the private plant in Cleveland, that the public plant supplies only one-third of the city, and the private plant two-thirds of the city.

Mr. HOWELL. The reason for that, as stated to me when in Cleveland last summer and on previous visits, is that all they have desired in Cleveland was an automatic regulator of rates; that the municipal authorities did not care to go further. Had ex-Secretary Baker continued as mayor of the city, he undoubtedly would have covered the city; but the big interests in Cleveland, just as in the case of the big interests in other great cities of the country, are against that sort of thing; as, for instance, we generally know that in some way, somehow, the chambers of commerce throughout the country are usually controlled by men who are opposed to the public doing anything for themselves. I know that, because we have had the experience in Omaha. Whatever has been done in public ownership in my city has been done in spite of the big interests. As you travel along the route this opposition becomes strong enough to hold you, at least for a time; and that I believe is the situation that has developed in Cleveland.

Mr. UNDERWOOD. I ask for the yeas and nays on the pending amendment to my substitute.

Mr. WATSON. Mr. President, may we have the amendment to the amendment read?

The PRESIDING OFFICER. The Secretary will read the amendment to the amendment.

Mr. WALSH of Montana. Mr. President, if the Senator will yield for a moment—

Mr. WATSON. Certainly.

Mr. WALSH of Montana. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Ferris	Ladd	Shipstead
Bayard	Fess	McKellar	Simmons
Borah	Frazier	McKinley	Smith
Brookhart	George	McNary	Smoot
Broussard	Gerry	Mayfield	Stanfield
Bruce	Glass	Means	Stanley
Capper	Hale	Metcalf	Swanson
Caraway	Harris	Neely	Trammell
Copeland	Harrison	Norbeck	Underwood
Couzens	Heflin	Norris	Wadsworth
Cummins	Howell	Oddie	Walsh, Mass.
Curtis	Johnson, Calif.	Pittman	Walsh, Mont.
Dial	Jones, N. Mex.	Ralston	Warren
Dill	Jones, Wash.	Ransdell	Watson
Edwards	Kendrick	Reed, Mo.	Weller
Ernst	Keyes	Reed, Pa.	Wheeler
Fernald	King	Sheppard	Willis

The PRESIDENT pro tempore. Sixty-eight Senators have answered to the roll call. There is a quorum present. The yeas and nays have been demanded upon the amendment offered by the Senator from Montana [Mr. WALSH] to the amendment in the nature of a substitute proposed by the Senator from Alabama [Mr. UNDERWOOD].

The yeas and nays were ordered.

Mr. WALSH of Montana. A request has been made that the amendment to the amendment be read.

The PRESIDENT pro tempore. The Secretary will read the amendment to the amendment.

The READING CLERK. The Senator from Montana proposes to strike out section 10 of the substitute submitted by the Senator from Alabama and in lieu thereof to insert:

SEC. 10. That as a condition of any lease, entered into under the provisions of this act, every lessee hereunder which is a public-service corporation, or a person, association, or corporation developing, transmitting, or distributing power under the lessee either immediately or otherwise, for sale or use in public service, shall abide by such reasonable regulation of the services to be rendered to customers or consumers of power, and of rates and charges of payment therefor, as may from time to time be prescribed by any duly constituted agency of the State in which the service is rendered or the rate charged. That in case of the development, transmission, or distribution, or use in public service of power by any lessee hereunder or by its customer engaged in public service within a State which has not authorized and empowered a commission or other agency or agencies within said State to regulate and control the services to be rendered by such lessee or by its customer engaged in public service, or the rates and charges of payment therefor, or the amount or character of securities to be issued by any of said parties, it is agreed as a condition of such lease that jurisdiction is hereby conferred upon the commission created by the act of Congress approved June 10, 1920, upon complaint of any person aggrieved or upon its own initiative, to exercise such regulation and control until such time as the State shall have provided a commission or other authority for such regulation and control: *Provided*, That the jurisdiction of the commission shall cease and determine as to each specific matter of regulation and control prescribed in this section as soon as the State shall have provided a commission or other authority for the regulation and control of that specific matter.

SEC. 11. That when said power or any part thereof shall enter into interstate or foreign commerce the rates charged and the service rendered by any such lessee, or by any subsidiary corporation, the stock of which is owned or controlled directly or indirectly by such lessee, or by any person, corporation, or association purchasing power from such lessee for sale and distribution or use in public service shall be reasonable, nondiscriminatory, and just to the customer and all unreasonable discriminatory and unjust rates or services are hereby prohibited and declared to be unlawful; and whenever any of the States directly concerned has not provided a commission or other authority to enforce the requirements of this section within such State or to regulate and control the amount and character of securities to be issued by any of such parties or such States are unable to agree through their properly constituted authorities on the services to be rendered or on the rates or charges of payment therefor, or on the amount or character of securities to be issued by any of said parties, jurisdiction is hereby conferred upon the said commission, upon complaint of any person aggrieved, upon the request of any State concerned, or upon its own initiative to enforce the provisions of this section, to regulate and control so much of the services rendered, and of the rates and charges of payment therefor as constitute interstate or foreign commerce and to regulate the issuance of securities by the parties included within this section, and securities issued by the lessee subject to such regulations shall be allowed only for the bona fide purpose of financing and conducting the business of such lessee.

The administration of the provisions of this section, so far as applicable, shall be according to the procedure and practice in fixing and regulating the rates, charges, and practices of railroad companies as provided for in the act to regulate commerce, approved February 4, 1887, as amended, and that the parties subject to such regulation shall have the same rights of hearing, defense, and review as said companies in such cases.

In any valuation hereunder for purposes of rate making no value shall be claimed or allowed for the rights granted by this act or under any lease executed thereunder.

Mr. CARAWAY. Mr. President, I dislike very much to delay a vote on this amendment, but I wanted to say with reference to it that as it stands I shall vote for it unless some amendment might be accepted to it. But I had thought and still think that if the Government wishes to assume the guise of a business corporation and engage in an industry which has heretofore been conducted by private individuals it should do so under such conditions as the private individual must meet. I had not thought the Government ought to tax individuals to raise capital to finance a corporation and put that corporation into business in competition with those who contributed the capital by taxation and then say to those engaged in private business, "You shall submit to certain regulations, but the corporation which you furnish the capital to create, a part of the sovereignty that delegates itself to the conduct of private business, shall be exempt from all those handicaps you carry."

It seems to me, the Senator from Montana to the contrary notwithstanding, that it is indefensible for us to insist upon a citizen dividing his earnings with the Government, in the nature of a tax, and then take the capital which we get from him and organize and finance with it a corporation to go into business against him and exempt it from any contribu-

tion to the Federal upkeep and strip it of every regulation, so that it may compete with an individual who is compelled by the same sovereign to contribute to the capital that put its competitor into business and submit to all regulations in the conduct of its business.

That may be perfectly understandable to some Senators. It is utterly beyond my understanding.

In the first place, I have not been able to convince myself that the minute one ceases to be a private citizen and goes upon the public pay roll as a Federal employee all selfishness and all limitations as to clarity of understanding fall away from him and he can make no mistakes. That is the assumption we must indulge in if we say it is preposterous that the State should seek to control the activities of a corporation which comes within its borders to conduct business in opposition to private citizens and at the same time write into the very same measure a provision that if a private citizen shall become the lessee he shall submit to all these regulations.

I have for a number of days listened to some very remarkable deductions. It seems perfectly clear to the junior Senator from Nebraska [Mr. HOWELL] that a man engaged in private business who expects to make a profit is already outside the pale. It was emphasized over and over again that the crime of private industry was that it expected to make a profit. Yet I have heard urged right upon the floor of the Senate by a representative from the same State that the monumental crime of the ages was that the farmers had been denied the opportunity to make a profit.

I believe that any man engaged in a lawful industry ought to have the right to make a reasonable profit. If his business is of such a nefarious character that profit should not be permitted to be made from it, it ought to be suppressed. It seems to me it is unthinkable that we should announce as a solemn declaration of the Senate that private business is utterly outside the pale of respectability if it seeks a reasonable profit. I am sure that the way they conduct business in Lincoln, Nebr., is very much better than the way it is carried on anywhere else, because I remember that Mr. Charlie Bryan was the mayor of that city, and evidently put it upon the road to righteousness. I am told he is to be mayor again, and of course he will still further perfect it, and lead it in the way it ought to go.

Let me say this, too. Some Senators who, ever since I have been a Member of this body, have been weeping over the condition of the farmer and the injuries he received from the Government, are now doing everything they can to prevent the Government from doing something for the farmer. Let us take the proposition of making this a power bill. If there is anybody here who believes that if it shall become a part of a superpower system, or a power plant standing alone, it is going to contribute very materially to the health and wealth and comfort of the farmer, I am curious to have him stand up and give his reasons for his belief.

I know that if the committee amendment should become the will of the Senate, and should be accepted in conference, it would not result in any advantage to the farmers. It would not result in power lines being strung out to the little farm houses along the highways in Alabama, Georgia, and Tennessee. It would result in the sale of power to industries located in towns. It might be that some municipality would contract with it so that industries within that particularly favored town would have a lower rate than other less fortunately situated communities, but there is no use presuming that the farmer does not know that it is not there for him. He knows, if he knows how to read, that making this a power project would not do the farmer any particular good. It would not offer him anything, because he would not be upon the lines of distribution. Everyone knows there is no intention, if the committee substitute be adopted, of stringing power lines from Muscle Shoals to the individual homes of the little farmers in those States adjacent to it.

Therefore let us be honest with the farmers. If we do not intend to give the farmer anything, and let us just say, "You do not fall within the scope of our particular benevolent institution called the Muscle Shoals power plant. We are reaching out now to do something for your more fortunate neighbor who lives in more populated communities, and who is engaged in more lucrative business." Everybody knows that is what it means.

You are not deceiving a single farmer. I know, and say, with an apology to everybody who has participated in the debate, that two facts have run side by side with but a single purpose in this repeated effort to amend this bill, the first to make it lend itself to a theory that the Federal Government alone ought to be permitted to engage in business; that the

farmer must find some means to pay taxes with, but nothing shall be done for him; that we are going to create a benevolent institution called the Government to look after the business of the country, to do all the business in the country. The Lord knows somebody may profit by it. I am curious to know who it will be. Nobody has pointed that out very specifically.

That is not all. There is going side by side with it that other legislative ghost stirrer, the so-called postal increase bill. Nobody believes Congress is going to write into law a provision to increase the postage on parcel post. If they attempt that, they certainly think that the people living in the rural communities are without friends in this body, because that is the only means the farmer has of getting his produce to the market and getting things from the town to his home. Therefore, unless they want to tax the very means by which the farmer lives and increase the cost of living to people who live in towns by increasing the cost of distribution they are not very serious when they propose that other provision to increase the cost of postage on newspapers and periodicals unless they think it is wise to make ours a country of isolated communities, stirred by local prejudices, without national spirit, without national information, because they want to deny us a source of information that comes from a wider distribution of newspapers and periodicals. It was not seriously brought here. It was brought here to give some one an excuse to vote against overriding the President's veto on the postal salary bill. That is all. Those who are lending themselves to the same purpose by filibustering against the bill under the pretense that they think there is some way of making it a power plant and helping the farmer are unconsciously aiding the same purpose.

Now, let us be frank with ourselves. We do not get anything by trying to deceive the American public. We do not deceive anyone but ourselves. If the honest conviction of the people who are fathering the so-called committee substitute is that it ought to be the duty of the Government to create a great power company at Muscle Shoals—some of them think for possibly as much as 500,000 horsepower—and distribute that to the industrial users of power, let us say we now are not looking after the interests of the farmer. It is not his day in court; but we are lending ourselves for the time being to the creation of a big power plant. That we expect it to sell power to users of power at very low rates because the taxpayers of America are to furnish the capital and it is to be free of all regulation and control; that the Government, without any overhead charges and without capital charge, shall distribute power to the users of power at a very phenomenally low sum, and all the taxpayers are to absorb its losses. That would be understandable. It might be wise to do it. If that is our intention, we ought so to declare.

I have been somewhat grieved to hear Senators here proclaim with so much fervor that to lease this power plant would be a crime, and yet those Senators wanted not to lease it but almost to give it to Henry Ford, and there was not then a suggestion that there ought to be any kind of regulation or condition attached to the grant. It was not to be a crime of 50 years. It was to be for a whole century. Title to all except the dam was to be in Ford or in a corporation which he was to create. There was to be an absolute transfer of title to him, and he then was to have a lease for 100 years of the power and do whatever he saw fit with it, subject only to a vague and uncertain provision that he was to manufacture fertilizer.

I do not question other men's motives. They have a right to pursue whatever course they prefer. I am a member of the committee that dealt with this measure and attended its sessions with a great deal of care. I voted for the Henry Ford lease. I would do it again. I am not protesting against private individuals going into business. I have never thought it was a crime for them to do so. If there is a crime at all, it is in the Government invading the field of private industry, because again I want to say that because somebody has gotten on the Federal pay roll and has a lifetime job it does not make him any more patriotic, and it does not make him any wiser than was he while a private citizen. I will venture the assertion that it leaves him less wise, because it takes away the incentive that goes with the struggling of matching one's wits with other men in order to succeed, and it thereby stops intellectual development. When a man gets on the Government pay roll and all in God's world he has to do to stay there is to live, he is not quite as active as those who have to match their wits in the field of private industry to succeed or fail by reason of their ability and character.

Coming back again to the "crime" and to the "absurdity" of wanting to regulate Government industry when it takes upon itself the form of a private corporation and engages in

private business, I want to say this: To a large extent we recognized that principle when we created the shipping corporation and made it subject to certain provisions that the individually owned company or corporation had to carry. If it was not wise to do that, we ought to repeal that law.

Mr. President, I do not know whether this plant will be leased or not. I am under no compulsion to say what I am about to say, because I belong to a different party, but I have quite a great deal of respect for the judgment and character of the Secretary of War. I have found him to be a man of unusual ability. The few times I and my State have had occasion to deal with him we have found him honest and exceedingly generous. If he can not be trusted to lease Muscle Shoals I am curious to know how the Senate can justify itself in having voted for his confirmation when it was known that we were putting into his hands not the management of a power plant in the State of Alabama but the entire defense of the country, so far as the Army is concerned, with all of its hundreds of millions of dollars worth of property, with all of the perplexing problems that come with Army control and regulation. If any Senator knew he could not be trusted to lease a project like Muscle Shoals, I think he ought to have made it known to the Senate when he was nominated to be Secretary of War and before the Senate was asked to vote to confirm him in that high office.

It is being charged and the question of Tea Pot Dome is now being raised on the floor of the Senate. That was referred to in a statement made by a Senator. There can be but one purpose in associating the Muscle Shoals matter with that question and that is to convey to the listener the belief that Muscle Shoals is also a national resource that is being sold by some public official to some private individual and that corruptly, because that is the only reason why the two would be coupled together. No one would speak of a gentleman as Benedict Arnold, and then say he did not intend to charge that he, too, was a traitor. The statement carries its own charge. I want to say now if any Senator has any evidence that there is to be a corrupt leasing of this property he owes it to himself, he owes it to the Senate of the United States, he owes it to the American people whose commission he bears, to point out that evidence so that all may know it. It is not right, and I say it with deference, to undertake by so coupling one measure with another to leave the impression that there is something morally wrong about this measure, unless the evidence exists, and if any Senator has such evidence he can not withhold it and be honest because of his position as a trustee of the American people in this body.

I do not know who is to get this property, and I want to say again I am under no obligation to defend the present President of the United States, because if anybody took pains to read what little I had to say about him they will remember that I insisted very earnestly that the American people ought to substitute another whose name I mentioned for that high office which he held. I honestly think they made a mistake in not doing so, but the great majority of American people did not agree with me and they made Mr. Coolidge President of the United States. While perfectly willing to vote for him and make him the Chief Magistrate of 110,000,000 people and give to him all the influence and power that goes with that high office, to now insist at the very first opportunity that he can not be trusted to be a party to the leasing of a power plant in Alabama, which a majority of those sitting here voted at one time to abandon because it was absolutely worthless, is a remarkable situation.

I ought not to have to come here and defend the Secretary of War and the President against charges made by Senators who voted for him, but I feel impelled to do it because I have not a question of doubt in my mind that both are intelligent, that both are honest, and both are patriotic. I believe that either one of them could be trusted to lease Muscle Shoals. I believe if Muscle Shoals were leased and the plant put into operation the American farmers would get some relief from the exorbitant prices now charged for fertilizer. I know that if it is converted into a power project, no farmer now living would get one ounce of fertilizer cheaper because of the fact that we had created a power plant at Muscle Shoals.

Mr. PROOKHART. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Iowa?

Mr. CARAWAY. I yield.

Mr. BROOKHART. Nobody has explained to me, and I can not understand how under the Underwood proposition the farmer is going to get any cheaper fertilizer.

Mr. CARAWAY. I am sure that if nobody has been able to explain it to the Senator, considering the many Senators who have tried to do so, there is no use of my trying.

Mr. BROOKHART. There is not anybody who has tried to do it.

Mr. CARAWAY. If there is not, then of course the Senator does not expect me to try it. I can say this to the Senator, however, that he was one who was willing to create a corporation to ship wheat out of this country because it was thought that the surplus was breaking the price of the commodity and destroying the farmer and that if the Government would go into the pockets of all the people to get the money to buy the surplus wheat and ship it to Europe and take the loss the farmer then could sell the remaining part of his crop at a profit.

Mr. BROOKHART. Mr. President, the difference between those two propositions—

Mr. CARAWAY. Just a moment. Then the Senator said that was sound economics because it is the surplus that breaks the price. Now, if there is so much fertilizer in the country and we add to it, it tends to create a surplus; and if there is logic in the first proposition that the surplus breaks the price, I do not know of any reason why it will work with wheat and will not work with fertilizer. Of course I know that proposition will not satisfy the Senator from Iowa.

Mr. BROOKHART. The Senator is always referring to 40,000 tons of fertilizer as making a surplus.

Mr. CARAWAY. The 40,000 tons of nitrogen to be made at this plant would result in nearly a quarter of a million pounds of fertilizer, and it would tend to be a surplus unless there is something wrong with the theory that a surplus of fertilizer is never a surplus while a surplus of wheat is always a surplus.

Mr. BROOKHART. The Senator's own explanation shows that it would not be a surplus.

Mr. CARAWAY. I know when I deal with a proposition that runs counter to the Senator's convictions I am wrong. I know that reason has no standing in a court that is already committed to the idea of putting the Government into all private business.

Mr. BROOKHART. Does the Senator claim as a matter of fact that the 40,000 tons will create a surplus?

Mr. CARAWAY. The Senator does claim that the 40,000 tons would be that much more than we now have.

Mr. BROOKHART. But the Senator came at me with a surplus, and I want to know if that 40,000 tons will make a surplus.

Mr. CARAWAY. It never will make a surplus with the Senator from Iowa. I concede that. If it were 500,000,000 tons it never would be a surplus so long as it was fertilizer, but if it were a million bushels of wheat it would be such a surplus as would destroy every farmer in Iowa unless the Government bought the wheat and shipped it to Europe.

I am perfectly willing for a man to stand by his local industries, and it looks like that is all there is here. Everybody stands by his prejudices and his home town. If a man has an interest in a manufacturing plant, or if he wants to see people get cheap power, and thinks he will be justified in taxing all the American people, even the down-trodden farmer, who has been wept over here for four years, in order to lighten the burden of men who buy power, why, God bless his soul, I expect him to do it; but I do not want him to insist that he thinks he is doing something for the farmer by so doing. That is all I am protesting against.

I come from a State of agriculturists; I come from a family of farmers; I am myself a farmer, and I do not want to be reflected upon by a pretense that in creating a power plant here we are going to aid the farmer. I know that nobody who has studied the question and who really wants to do something for the farmer is deceived by it. Therefore, all I want is that those who assume the attitude to which I have referred shall stand up and say, "This is not the farmer's day; but now that there is a chance to do something for some one, we have decided to do it for the manufacturing industry and not the farmer. We are going to give that industry cheap power and tax everybody else in America to do it."

Let me go further. There is a sentiment here that indicts the intelligence of the people of every State in the Union. When it is suggested that the States have patriotism and intelligence to be trusted to regulate their own affairs, it is said "you can not trust the States"; and long lists of statistics have been read here to show how corrupt the commissions are in the various States; how little they may be trusted. There never has been, so far as I have been able to learn here, a single honest administration except in the case of one or two cities. Lincoln, Nebr., was one that shone out very

brightly on the firmament of intelligent and honest administration. The State of Nebraska unfortunately could not live up to the high standard set by Lincoln, and therefore the State could not be intrusted with the power to regulate its own affairs.

Mr. HOWELL. Mr. President, did not the Democratic Party try to spread Governor Bryan out from Lincoln?

Mr. CARAWAY. Yes; and I thought inasmuch as Governor Bryan had made Lincoln such a wonderful city the Senator from Nebraska ought to have supported him, but he did not do it. [Laughter.] That is why I rise now to express my surprise that after Governor Bryan had demonstrated that he was the only man in the country who knew how properly to administer a public office, the Senator from Nebraska should have appealed to the people to turn him down. [Laughter.] Of course, that is as understandable as is the other proposition. I think I understand it perfectly also, but I would rather like to express my surprise that it should have happened.

Mr. BROOKHART. Mr. President, for the Senator from Nebraska having to turn Governor Bryan down in that way is not any worse than for the Senator from Arkansas to turn him down right now.

Mr. CARAWAY. Oh, no; but you have already defeated him, and why should I go out now and weep over his grave? [Laughter.] You folk have crucified him while he was alive and now you complain because I am not weeping at his grave. It does not profit us, but if it affords us any intellectual stimulus to play the farce to the last, why, we ought to do it. Do not, however, let us try to fool the audience, which is the American farmer. He knows, I repeat, if he knows anything—and those farmers with whom I have come in contact do—that he is not to be enriched by creating a power company at Muscle Shoals. He knows that will not offer him cheap light or fertilizer. He knows that it will be in the interest of the people living in the urban communities.

I think the committee hearings were dragged on for months and months not so much to get light as to get time to kill Henry Ford's offer. Those of us who were for Henry Ford's offer were there day in and day out insisting upon a vote. The hearings were had upon perfectly nefarious schemes, as it now turns out. Private individuals were asked to come and submit bids and offer evidence that the committee would be wise to accept them, and now we discover that those who asked them to come knew from the beginning that it would be a crime to let them have the plant. Why were they asked to submit bids? If private business was to be driven out of the field, why not have closed the hearings, and said, "There is no use for you gentlemen to make your offers, because we have made up our minds to create a corporation and put it in business against you, and therefore save whatever you have to pay taxes in order to help finance our business that we are to create to compete with you."

I hope that the Senator from Montana will accept an amendment to his amendment providing for the regulation of the proposed corporation that is to go into business at Muscle Shoals. Let it be like any other corporation. I do not see anything so tremendously foolish about asking a corporation that has been created to engage in a private business to subject itself to all the limitations which a private business would have to encounter if it engaged in the same business. I think it ought to be suable in the courts of the various States like any other corporation that does business there. I think it ought to be compelled to answer to the people under all the regulations that any other business is compelled to submit to if it engages in a similar enterprise.

Let me say briefly that the greatest part of the regulation is not in connection with fixing the price to be charged, but is in connection with distributing the power; in deciding who shall be favored and whose application shall be denied; in determining into what States the power shall be transmitted and into what States its transmission shall be denied; what towns shall have it and what towns shall not have it. Those are going to be the greatest fields of regulatory action. The Government here at Washington, I submit, does not know as much about those questions in Arkansas as do the people living in Arkansas.

I have not found the Government to be superwise in such experience as I have had with it. It has done a good many things in my State; it has done some of them well, and it has done some of them in an exceedingly clumsy way. I have heard—and I repeat it with an apology—some of the very people who have most continuously and consistently condemned the Government when it undertakes river and harbor improvements, saying, "the Government is making recommendations for the improvement of rivers on which a fire insurance policy

has to be taken out in order to keep it from burning up because there is no water in it," claim that as to this matter the Government can make no mistake, that in Government agencies wisdom and virtue dwell. It is a curious thing to me that the Government knows all about power plants and can make no mistake as to them, but does not know a river from a dry fish pond. Senators insisting that the Government enterprises must not be regulated in this matter will vote against every river and harbor improvement that comes before the Congress, because, they will say, the Government is not to be trusted in these matters.

Mr. President, there is no profit in pointing out the inconsistencies. We all have them. But let us do something for the American agriculture with this plant.

Mr. REED of Missouri. Mr. President, I want to address myself to what is known as the Walsh amendment for a few moments; but, first, I desire to make a few general observations.

This debate has taken a turn which I regret. I can see no reason for any man to impugn the motives of any Senator on this floor or to accuse those who may favor this bill in any form of endeavoring to work in the interest of any power monopoly or of being inspired with any improper motives. Differences of opinion exist here, and they ought to be expressed wholly without attacking the motives of any man.

I know well the Senator from Alabama [Mr. UNDERWOOD] who has proposed this amendment, and I know that his public life has been as clean as that of any man who has lived in our country during my time. I know that his motives in presenting his proposition are dictated only by what he believes to be the public good. I attribute the same sentiments to the Senator from Nebraska [Mr. NORRIS]. I accord the same high motives and purposes to those who may agree with me or who may differ from me touching this measure, and I think that a moment's analysis will show that there is no man who is in favor of either of these propositions who has any right to throw bricks at any other man.

What are the points of difference?

The Senator from Nebraska [Mr. NORRIS] brings in a bill in which he proposes that the public authorities shall manage and control this great plant. He is at once attacked by certain Senators upon this floor as being the protagonist of a wicked and vicious doctrine, to wit, public control of a business enterprise; and one would think, as he listened to these dissertations, that he was a socialist, a bolshevist, and that everybody who was for his measure was a bad, wicked, or misinformed man. Yet the gentlemen who make those charges are in favor of the Underwood proposition; and what, pray, is the Underwood proposition? It is that we shall run this plant by public management and control unless we can lease it upon terms that are acceptable.

Whenever you put in the alternative that in the event this plant is not leased it shall be run by public control, you have on that alternative placed yourselves exactly in the same category with the Senator from Nebraska and with this wicked plan of public ownership; so that the man who stands and proposes to vote for a bill which proposes public control and public ownership if a lease can not be made may well argue that a lease is more advantageous and that it is hoped that it might be made, but he certainly ought not to go to the extent of denouncing the man who proposes that which is found in his own bill as one of the alternatives.

So I think we might just as well quit abusing each other. The Underwood bill concedes the propriety of public ownership and public control just as much as the bill of the Senator from Nebraska, save and except that the Underwood bill prefers a leasing proposition.

There is another observation: It is said that those who favor leasing are putting an unjust power in the hands of the Secretary of War; and some of those who favor the Norris amendment have charged that that will result in making a very bad bargain, and there have been even insinuations here that I think reflect indirectly upon the Secretary of War. I do not think that is just. I know John W. Weeks. Many of us served with him here in the Senate. I question whether any man would seriously raise any possible kind of criticism against his honesty or his intelligence or his patriotism. I should not hesitate to make him my executor without bond to-morrow, and I would know that my estate would receive as honest an administration as he was capable of giving it and that he would bring to the task a high degree of intellectuality. If the proposition submitted by the Senator from Alabama were to turn over the matter of handling this property to the Secretary of War to make the best bargain he could make, and, if he could not make a bargain which was

advantageous, then to manage and control this plant, I should be much better satisfied than I am in the present situation. The difficulty I find in the Underwood proposition is that it ties the hands of the Secretary of War and ties the hands of all the public authorities in a way which, it seems to me, may contain many elements of disadvantage, if not danger.

By this bill the Secretary of War is commanded to use the plant, if it is run as a Government enterprise, or to lease the plant, conditioned upon the manufacture of fertilizer to the extent of 40,000 tons of fertilizer per annum. This lease is to run for 50 years. I hope that what I say will not be taken as an unkindness; but which one of us, owning a great property of this kind, would for a moment think of requiring a proposed bidder to agree to manufacture 40,000 tons of fertilizer per annum for a period of 50 years, regardless of the question whether the manufacture could be carried on without being done at a terrific loss? If we pass this bill as now framed and the Secretary of War starts to lease the plant, he must require the lessee after the first three or four years to make 40,000 tons of fertilizer per annum regardless of whether it can be done at a profit, regardless of the amount of loss that is to be sustained, regardless of whether in the meantime some process for making fertilizer may have been invented entirely different from this, not requiring the employment of this great power in its production. For 50 years, for the lifetime of an individual, we are to go on making fertilizer willy-nilly, without regard to loss and without regard to changed conditions.

Mr. UNDERWOOD. Mr. President, will the Senator allow me to interrupt him just at that point?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Alabama?

Mr. REED of Missouri. I do.

Mr. UNDERWOOD. If we get a lessee who is willing to make us nitrogen for national defense for 50 years at his own risk the Senator would not object, would he?

Mr. REED of Missouri. Yes, I would, under the terms of this bill.

Mr. UNDERWOOD. But let me continue one step further. At least it seems to me that there would be no ground for objection. If a lessee wants to do it, and agrees to furnish this amount of nitrogen to the Government, this bill does not confine him in any way as to how he shall do it, but it says that he must agree to furnish 40,000 tons of nitrogen with which to make our powder for national defense, and that in time of peace he must convert that nitrogen into fertilizer to build up our depleted soil. If the lessee wants to do that and is willing to do it, I do not see that there is any objection.

On the other hand, the Senator may say, "But the corporation is compelled to do it." It is true that the corporation is compelled to do it in this bill; but it is a Government corporation, and any session of Congress can recall its hand if it is a Government corporation. It merely makes the corporation start, but every share of stock is in the name of the President. There are no outside contracts that would bind the corporation, and therefore Congress can recall it if it thinks a mistake has been made.

Mr. GLASS. Mr. President, the Senator does not exactly mean that his bill requires a corporation to furnish 40,000 tons of nitrogen?

Mr. UNDERWOOD. To manufacture it.

Mr. GLASS. The Senator means to manufacture it?

Mr. UNDERWOOD. Yes.

Mr. GLASS. "Furnishing it" might mean buying it from Chile.

Mr. UNDERWOOD. I meant to say "manufacture." I am using general terms. Of course, the bill contemplates the manufacture of 40,000 tons of fertilizer.

Mr. REED of Missouri. Mr. President, upon the statement I have just made, the bill requires the production in this plant of 40,000 tons of nitrogen annually.

Mr. UNDERWOOD. No; if the Senator will allow me, if he will look at the bill I am sure he will see that it requires the production on this property—

Mr. REED of Missouri. Very well.

Mr. UNDERWOOD. Not in this plant, because it is left so that under changing conditions the plant can be changed.

Mr. REED of Missouri. The Senator does not really mean to tell us that he interprets this bill to mean that the man who gets this power is not to use the power in making fertilizer, but that he may set up some independent device on that same ground for making fertilizer? The Senator does not mean that?

Mr. UNDERWOOD. I certainly do, and that is done with my reading of the testimony of the experts. Everybody ex-

pects advances to be made in the production of nitrogen, and possibly in the production of fertilizer; and if the Senator will read the bill he will see that the lessee is compelled to make it on this property. The bill furnishes him with a great nitrate plant that he can use, but if he makes the 40,000 tons of nitrogen on that property by any other process and furnishes it to the Government or to the farmers he has lived up to his contract.

Mr. REED of Missouri. Mr. President, I do not so construe this contract. I must differ from my distinguished friend, and it is the first time it has been intimated in this debate that it was not intended that the contract should provide that this plant should be employed to make this fertilizer, and that is why we are leasing the plant. I refuse to discuss a chimera of the kind that has been suggested.

Mr. President, I have stated that the fertilizer that is to be made here might be made during all of the years at a tremendous loss; but the Senator meets that by saying: "Suppose a company is willing to make that contract." Well, if a company were willing to make that kind of a contract and to give a good bond for its execution, and the execution of it were to cost the people of the United States nothing, but the lessee took the risk, that would be one proposition; but that is not this proposition. The proposition here is that we are going to lease to the lessee all of this water power that is now produced, and he agrees to use a part of it to make fertilizer, and he agrees that he shall not make more than 8 per cent profit on his fertilizer, but the surplus power he can sell at his own price; and it has been plainly understood throughout this debate that it was intended that if the fertilizer was made at a loss, that loss would be recouped through the sale of power. Otherwise, nobody but a lunatic would make the lease. So the proposition is to tie up this property for a half-century of time, compel the person who makes the lease to make the fertilizer without regard to loss, and during that entire period of time, to place him in possession of the power so that out of the surplus power he can recoup those losses.

That is to say, if there are any losses made they are to come out of the pockets of the Government of the United States, which means out of the pockets of the people.

I say that is not a sound proposition, in my judgment. After hearings lasting for months, there is an honest dispute and an honest difference of opinion, not only among those who heard the evidence, but among those who testified, and I think it is fair to say that the best we can assert with reference to the manufacture of nitrogen by the processes contemplated is that it is a fairly seductive prospect. It may work out; it may fail. To undertake to say that we would tie up this great property for 50 years, and tie it to a proposition which may fail, and then make the profit up by adding it to the cost of the power which is to be sold to the American people, seems to me to be bad business. I am not saying that something along the line of the Senator's bill might not be worked out, but I am pointing out what seems to me a very great difficulty.

Mr. President, that is not all. There is another feature in this bill which would lead me, if I were the attorney for a client who owned this property, to almost take him in a corner and choke him before I would let him sign a lease. We are told that the total production of power at the present time is how much?

Mr. UNDERWOOD. Some people estimate the direct primary power at 87,000 horsepower. I think it is fair to say, though, during a period of five days less than a year the lowest flow of the water has shown 120,000 horsepower as primary power outside of the use of steam, but, of course, if you came down to the last analysis of an engineer for the 365 days, he would tell you 87,000 horsepower; but that would not be a real accurate estimate.

Mr. REED of Missouri. It is estimated that if the whole plan is carried out and completed we will have how many horsepower? I have heard so many figures that my mind is confused.

Mr. UNDERWOOD. Under this bill—

Mr. REED of Missouri. No; I mean if the entire plan is carried out; not what would happen under this bill.

Mr. UNDERWOOD. This bill relates to Dam No. 2, but the Norris bill relates to the whole Tennessee River—includes Dams Nos. 2, 3, and the dams on the upper waters. The Senator from Nebraska stated that that would produce about a million horsepower; and I do not think he is far wrong in that; but that is not contemplated by my substitute.

Mr. REED of Missouri. I understand. We have a project partially completed, and in its incomplete state it furnishes 87,000 horsepower, but the plan contemplates improvements so that there will be 1,000,000 horsepower produced. We

propose to lease the 87,000 horsepower for 50 years, and then we propose, if we go on and carry out the great plan of improvement, which I think should be carried out, to say that upon the completion of Dam No. 3, the dam, power plants, and appurtenances thereto shall be leased or operated in conjunction with Dam No. 2, as is provided for in this act, on such terms as Congress shall hereafter provide.

Mr. UNDERWOOD. If the Senator will yield just a moment, there was some objection to that clause, and as I did not think it was essential to the bill, several days ago, when the Senator was not here, it was stricken out by unanimous consent.

Mr. REED of Missouri. Very well; it is now out by unanimous consent, and then where are we? Is not this the situation, that you have leased that part of this plant which must be used when the greater power is created above, and having given to a lessee the control of the key of the situation, does it not follow that the United States has placed itself in a position so that when it completes the work it deals with the lessee, and being in a place where it must deal with that man, and he having a contract for 50 years, are we not in fact obliged to deal on his terms?

Mr. UNDERWOOD. I will say to the Senator that he treats my bill as if it were a contract. The bill I have introduced is drawn identically on the terms he suggested, to allow the Secretary of War to make a contract, subject to the approval of the President, with only three limitations; that is, the limitation that a lessee must make 40,000 tons of nitrogen, that he must convert it into fertilizer, and that the lease must not be made for less than so much money. I agree with all the Senator has said, but I am sure that the Secretary of War, with the approval of the President, will in his lease cover the very questions the Senator is arguing, as anybody else would.

Mr. REED of Missouri. Of course, the striking out of this clause removes from the bill one positive command which I think was very inimical. With it in, the question would arise in my mind whether we would have left a condition where it would be fair to ask if it would be possible for the Government to lease the key to the house and not at the same time practically turn over the control of the house. I say frankly that the taking of that language out has improved the bill. I think the bill would be improved more if some other things were taken out.

In the present development of affairs, in the march and progress of science, a 50-year contract to make any particular thing for war purposes or for peace purposes is a pretty doubtful proposition. To-morrow some man may discover a means for making explosives that will do away with the use of nitrogen for that purpose. We may not hear of it five years from now as an element to be used in the making of explosives. Not only is that possible, but I think we may almost say it is probable. In like manner, fertilizer may be produced by processes entirely different from the present method, which will be so much cheaper than anything that can be produced in any power plant that it would be utterly ridiculous to run a power plant. So I suggest, in the spirit of one who has had a kindly attitude toward this legislation, that you have dangers to confront which it seems to me argue strongly against making any half-century contract.

Again, Mr. President, there have been many attacks made here upon the mere matter of public ownership, yet this bill contains the proposition of public ownership and public control. It is true that it offers another alternative, and prefers another alternative, but it seems to me that all of the argument that is made against public ownership would carry us to the point, if the arguments be admitted, of striking out of the Underwood substitute every single thing except the proposition to lease, and force us, if those arguments be sound, if these denunciations are to be entertained, to strike from the Underwood substitute all except the leasing clause, and to stand here solely as the champions of private control and the denouncers of all kinds of public control.

So far as I am concerned, I do not believe generally in the proposition of government entering business. I think I am as thoroughly wedded to the doctrine of individualism as almost any man. I know I am as far removed from the doctrine of socialism as I know how to get, but I do not believe in the doctrine that it is impossible for government to engage in certain affairs which are ordinarily called business. We need not discuss Cleveland or any other particular city. The fact is—and I think I am safe in making the statement, as it was true a few years ago—that the majority of American cities to-day own their waterworks plants. When it was proposed to begin taking them over the cry was raised that they could not be suc-

cessfully operated by the municipality. They were in their nature monopolies, and because they were in their nature monopolies the people had to decide between being under the heel of a monopoly or being subjected to the somewhat imperfect management that is called political, and they preferred the political management, which they could control, to the monopolistic management, which they could not control. So in these cities they have acquired their own waterworks plants, and I think it is safe to say that in the vast majority of them the rates have been reduced and the service has been improved.

Mr. WALSH of Montana. Mr. President, I was a little curious to know what the situation was in the city of Baltimore. Perhaps the Senator from Maryland will be able to tell us. Does the city of Baltimore own its waterworks?

Mr. BRUCE. Yes; it does. I had hoped the Senator would ask me what profit was derived from it.

Mr. REED of Missouri. Of course, I will yield if the Senator wants to make the statement.

Mr. BRUCE. Never mind.

Mr. REED of Missouri. I want to hurry through, because I do not want to take much time with this discussion. In fact, my time is limited.

In my own city we had a waterworks plant that was simply an abomination. The rates were extortionate. The city acquired the plant, and was required, under a decree of a Federal court, to pay about two or three times what the plant could have been reproduced for, as nearly as I can recollect, the Federal court making them pay for good will. Notwithstanding that, as I now recall, the rates have been reduced nearly 40 per cent. The property is being amortized. A sinking fund is being created to take care of the bonds as they mature.

I think I can call it a first-class service; at least a service two or three hundred per cent better than we had before has resulted. It is true we do not always have perfect management, but when we do not have perfect management we can discharge the management. We are not under the control of the president of a foreign corporation as we were before. What I am saying now with reference to my city can be extended in many directions.

It has been said here with great vehemence that we failed in the matter of our shipping, that we have many ships tied to the docks and not in use, and that is a condemnation of the Government's business. Mr. President, I think that other nations, where they have had privately owned boats, have many of them tied to the docks. I think we have had bad enough management in the Shipping Board. I think we had a management there at one time that was absolutely indefensible. But I think, sir, that when any one undertakes to apply to the shipping of the United States the rule that is being here applied it is a great injustice. The boats were built during the war. They were literally thrown together. I saw some of them in process of building. One plate would be made in one mill and another in another mill hundreds of miles away. They were trying to build boats not to make first-class ships, but to make something that could carry material over to Europe where they had to have it. It was a rush order. The expense was enormous. The work was of an imperfect character and we produced a surplus of ships, more ships than we could reasonably expect to use. If a private individual had been put in the same situation he would have been compelled to make about the same kind of ships. He would have had the same amount of surplus on his hands. He would have had to tie them to the docks as those ships of ours are tied to the docks. Now, to say that that is any test is utterly ridiculous. I am not advocating the Government staying in the shipping business. I am not discussing that proposition, but I am discussing the illustration.

Again, we are told there was a great loss in the management of our railroads. Why, Mr. President, when we started into the war one of the first things the President did was to assemble the presidents of all the roads and ask them to agree upon and work out a plan for the coordination of the railroad systems. They undoubtedly did the best they could, but they had to meet conditions they had never seen before and the result was not satisfactory. Then the roads were turned over to Mr. McAdoo and he struggled with the proposition. For Mr. McAdoo I hold no brief, but Mr. McAdoo had no chance to run the enterprise as an ordinary business enterprise. He was obliged to move men and metal, material and guns, to handle the commerce of the country that had multiplied overnight, and to hope to do it without an economic loss was an absolute absurdity. So that is no test of the proposition of public ownership.

But what about the post office? We do not have to make profits out of an enterprise of a public character in order to

justify it. We run the post office not for the purpose of making money but for the purpose of furnishing service to the people of the United States. It is the largest single business in the world. It does business with 110,000,000 people at home and I do not know how many abroad. It comes in contact with almost every conceivable sort of problem relating to the transportation of information. It is the cheapest service furnished in the world by public or private individual. There is no comparison with it anywhere in the world. If we make our rates a little too low one day, we raise them a little the next day; but we try to give the people the service at cost, and that is what ought to be done. That is what ought to be done with the power plant at Muscle Shoals, in my opinion.

We had the Panama Canal constructed as an experiment, in a way. Nobody knew how much commerce would move through it. Nobody knew how many slides were to come down from the mountains. Nobody knew much about it, except as they could gather information from experiences with other canals. And yet is there a man here who would turn the canal over to a private corporation to-morrow? Although mistakes were probably made, is there an individual here who would turn it over to some private concern to use as an instrumentality of profit? I take it there is not.

It is suggested to me by the Senator from Virginia [Mr. GLASS] that private control of the Panama Canal was a failure when it was attempted. De Lesseps had some trouble down there and bankrupted thousands of people.

The singular thing about all of those who argue against the pending bill and argue vehemently against every kind of public control is that they forget all of the mistakes and all of the enormities of private control, but they can see every mistake of public control and magnify it a hundredfold. If a single city failed to make money out of its waterworks, that fact is held up as an eternal condemnation of all municipal ownership. Yet if we look along the pathway of commercial enterprises we find it strewn with the records of corporations that have been mismanaged and have gone down to their death, but we never hear of those.

This sort of unfair argument, it seems to me, we ought to abandon. There are certain enterprises that can be run by the public better than they can be run by private citizens. I do not mean that the management will be as perfect. I do not mean that there will not be some mistakes in management. But against that I put the overcapitalization, the enormous salaries, the wastefulness and the excessive prices that are charged by all of those ventures which are in their nature monopolies.

I think the true line of demarcation is this: Bear in mind that the Government ought not to thrust itself into ordinary business enterprises. Bear in mind the disadvantages of what is termed here "political control." Also remember that when a thing is a natural monopoly we must choose between remaining under the heel of the monopoly and subject to its exactions or we must appoint some one to represent the public. Bearing those facts in mind, we ought to apply the principle to each particular case.

Now, what are the facts in this case? They are absolutely unique. We entered upon the construction of this great work on the Tennessee River for war purposes. We had a war on then. We have not one on now. We needed nitrates then for war purposes. It may be we will need them again, but the mere fact that we started in for the purpose of making nitrates during the war does not furnish any conclusive argument that we should continue the process at the present time, so far as war is concerned. But I waive that. I do not care to dwell upon it. It seems to me to be inconsequential, at least to a degree. But, first and last, we invested \$135,000,000 of the people's money in the enterprise. We undertook something nobody else would undertake. Private enterprise has stood by and watched the water flowing down that river for a century and a half of time. It had seen all this mighty power going to waste, and it had never done anything to harness it and to make it of benefit to man.

The Government began construction of the works, partially completing them. Now, we are told on what seems to be good authority that with the expenditure of not nearly so much money a million horsepower can be created on this stream. Having invested this money and owning the property to-day, the sole question is, What are we going to do with our own property that we now own? Are we going to junk it as was suggested here by some extremists a few years ago? Are we going to give it to Henry Ford, as was almost done here not many months ago? I was opposed to that proposition so that nobody can charge me with being a party to it. Are we going to lease the property for a term of 50 years and tie our hands

by an improvident contract, as it is laid out in the bill, compelling the employment of the plant for the purpose of making fertilizer and nitrates, regardless of whether it is done at a loss or done at a profit? Or are we to hold the property still firmly in our own hands, directing some agency of the Government to begin its employment, and then directing that agency of the Government to use any reasonable amount of energy and money to see whether or not they can perfect a nitrate that will enable the farmers really to be benefited, and in the event they can not do that to go on and employ the power?

There are the two propositions. I confess, much as I regret to see Government agencies extended even over its own property, that my mind is drifting very rapidly toward the conclusion that in view of the slight knowledge we have of the business of making fertilizer, and in view of the fact that it is practically admitted that no one would be willing to make a contract to make fertilizer unless the lessee had the opportunity to make great profits out of the power, which is only another way of our paying him a bonus for the fertilizer, and in view of the fact that we are required to make a contract for 50 years of time, I doubt the wisdom of the proposition. I doubt it very seriously.

We can not speak by the card, sir. I remember reading in the RECORD the other day—my attention having been called to it by a Senator—that when the Coosa Dam proposition was before the Senate the distinguished Senator from Alabama [Mr. UNDERWOOD] asserted with great positiveness that the Alabama Power Co. was in no manner under the control of the General Electric Co. He undoubtedly asserted what he believed to be true, but it transpired in a very short space of time that he was mistaken in the fact at that time, or that subsequently and very shortly thereafter the General Electric Co. did gain control of that company.

Mr. McKELLAR. The Senator from Alabama also had something to say about the regulation of rates at that time which I think is very pertinent to the controversy over this amendment; and with the Senator's permission, I will read it. It is very short. This statement was made on August 22, 1912, in the House of Representatives:

Mr. UNDERWOOD. I will say to the gentleman that the principal objection I have to his amendment—

That was an amendment by Mr. B. G. Humphreys, of Mississippi, providing for the national regulation of rates—

there may be some smaller objections—is that I deny the right of the Federal Government to tax the people of the State for the use of water running in a stream in their State. If the Government itself builds a dam, I admit the right, if it has created power by building that dam, to charge what it pleases for that.

Here is a case, I may point out, if the Senator will permit me, where the Government has built the dam; and the Senator from Alabama, in 1912, in discussing the Coosa Dam act, as it was then known, admitted the right of the Government to control rates, while here he is opposing the Government's right to control rates.

Mr. REED of Missouri. Mr. President, without taking the time to draw together the points that I have tried in a very imperfect way to make, I come to what is known as the Walsh amendment. I sincerely trust that the Senator from Montana will either withdraw or modify that amendment. It really pains me to be found at difference with him in regard to it. My opinion is that he gave to my question of the other day the best answer that anyone could give, but I think the answer unsatisfactory. As I remember the question, it was, in effect, whether the Senator was willing if the Government operated the property to give the public service authorities of the different States the right to control the property. Some other Senator had asked that question, indeed, and the Senator from Montana answered emphatically, "No." Then I asked the Senator the question whether his proposition was not, in substance and effect, subject to the same objection, his proposition being that if the property shall be leased, in that event it shall come under the control of the public service commissions of the States.

It seems to me, Mr. President, that the United States being now the proprietor of this property has the right to operate it, and, being a governmental power, it has the right to fix its own rates. If it were to turn the right over to State boards to regulate the rates upon its property we would have the situation of one governmental agency regulating and controlling another governmental agency. That might be destructive of the Government's whole plan of work, and is untenable because it is unnecessary, for all that is obtained from any public board is the decision of a supposedly disinterested body touching the

rates that are to be charged. The Federal Government can be trusted as well as the State agencies not to demand extortionate rates from the people or to put any imposition upon them. I do not say "better," but I say the Federal Government can be trusted quite as well. That seemed to be the view of the distinguished Senator from Montana.

If we propose to lease this property and then attach the condition that the lessee shall immediately come under the control of these State agencies we shall be doing to our property in the second degree exactly that which we allege ought not to be done in the first degree, to wit, when we control it ourselves.

What we ought to do is to retain in the Federal Government, whether the property is leased or not leased, the right to control. Then we can make regulations that not only will protect the people from extortion but that will protect our property so that it may be redelivered to us at some time intact.

Mr. President, before we turn the property of the Federal Government now subject to Government control—and it can be kept subject to Government control as to rates even though we lease it, for we can reserve the right to revise rates—over to State control it would be well to give ourselves pause. We say when we do that that the States can better regulate the rates than can we, which is an admission I should not want to make. But we do more than that. The State boards now have enormous powers, and the Almighty alone knows how soon those powers will be magnified and multiplied.

Among the powers held by many of the State boards is the power to determine whether a line for the distribution of electricity can or can not be laid or whether a new railroad can or can not be built. The State board being empowered to pass upon the question as to whether there is a public necessity, it can, if it sees fit, refuse to grant a certificate of public necessity, in which event not a line of wire can be put up and not a single rail can be laid on the right of way of a railroad.

That is one power among many. Suppose that the Government were to finish the plant; suppose we wiped out all intervening difficulties and were making nitrates and using but a small part of the power and had a large surplus to dispose of which we wanted to distribute to the farmers, the beloved and wept-over farmers, as well as to other people, and we wanted to put up lines in the State of Alabama or Tennessee or any other place, and a State board told us we could not put up those lines, that there was no public necessity, that there were already enough lines in the State. Do we want to tie that sort of a hobble to our Government agency or to a lessee who is going to operate this Government property? I think it would be highly unwise.

Mr. WALSH of Montana and Mr. BRUCE addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Montana?

Mr. REED of Missouri. I do.

Mr. BRUCE. Excuse me. I did not see the Senator from Montana had risen.

Mr. WALSH of Montana. I will wait until the Senator from Maryland has concluded.

Mr. BRUCE. Mr. President, there is not a Member of this body of whom I am in the habit of thinking as being a sounder Democrat, to say nothing more, than the Senator from Missouri. I do not know of anyone who is so constantly faithful to the old Democratic creed. Of course, I am not saying anything about the Wilson attachments. I should like to ask the Senator this question: Does he think that the Government ought to enter into competition in the manufacture of full commercial fertilizers at Muscle Shoals with its own citizens? I called attention to-day to the fact that in Baltimore city we have no less than \$75,000,000 invested in the business of making such fertilizers. In other words, does the Senator think that the Government would be justified in setting up a great commercial fertilizer factory, or a dozen of such factories, at Muscle Shoals for the manufacture of full commercial fertilizers and in entering into crushing competition with its own people who have been paying taxes to it and discharging their duties of every kind to it and who naturally deem that they have a right to look to the performance by the Government of its correlative obligations?

Mr. REED of Missouri. I will answer the Senator in this way: I see the objections that he has in mind, and I appreciate them, but we have this plant and we must do something with it. It ought, however, to be handled in such a way that would be fair to honest investment; but if it be true that a process can be developed at Muscle Shoals which will cut the price of fertilizer in two, I think we would be justified in going ahead and working that problem out,

although as a mere matter of entering into general competition, of course, I would agree with the Senator as to that.

Mr. BRUCE. I will say to the Senator from Missouri that I am not opposed to the Government producing nitrates at Muscle Shoals, nor am I opposed to its lessee producing nitrogen there for sale to the trade, to be converted by it into full commercial fertilizers, because, as the Senator from Alabama has said, when the Government or its lessee undertakes to produce nitrogen for war explosives of course it would not be reasonable to expect it to dump any surplus nitrogen that it may produce into the Tennessee River. There is, I think, some confusion on that point in the Senate; I do not know that there is any in the mind of the Senator from Missouri. I am not opposed at all to the production of nitrates by the Government or to the sale by the Government of the nitrates that it produces to ordinary purchasers of such commodities, nor as I opposed at all to the sale of the surplus electric energy that may be generated at Muscle Shoals. What I am opposed to is the establishment by the Government, directly or indirectly, of commercial fertilizer factories at Muscle Shoals, or the establishment of any other kinds of industrial factories and to the Government entering into competition with its own citizens with all its gigantic power and capacity for absorbing pecuniary deficits, no matter how great.

Mr. REED of Missouri. I think I have already expressed my view in regard to it. As a general proposition, the Government ought not to be engaged in a competition of that kind; but if a condition exists in the country where a great improvement can be made, and private enterprise has not done it, and the Government has a plant, it seems to me the Government might well employ its plant.

Mr. WALSH of Montana. Mr. President—

Mr. REED of Missouri. I yield to the Senator from Montana.

Mr. WALSH of Montana. I simply wanted to inquire concerning the attitude of the Senator, that his position might be made entirely clear. I understand that he takes the view that whether the property is leased as provided by the Underwood bill, or whether it is operated by the corporation the creation of which the bill contemplates, in neither event should the rates be regulated or the service rendered in obedience to regulations of the local authorities; that the Government of the United States ought to keep in its own hands the control of that matter, and that these rates should be regulated either by the directors of the corporation or by the Water Power Commission or by some other Federal authority rather than the State authority.

Mr. REED of Missouri. That is the point I was making.

Mr. WALSH of Montana. I may say in that connection, Mr. President, that much can be said in favor of the contention made by the Senator, and were it not for the fact that the other system has been established by the water power act and is now in operation I dare say I might be found agreeing with the Senator; but I call attention to the fact, and I should like to have the Senator address his thought to it, that there is not so much difference between the two—not enough, as it seems to me, to require the institution of two different systems. It is true that we put more into this particular development than we do into a development made under the water power act; but under the water power act we contribute the site, in the case of lands owned by the Government in the West, or, in the case of a navigable stream, we contribute the right thus to obstruct the navigable stream. In both of those instances we have devised a system for the regulation of rates and service and that kind of thing which is actually now in operation; and it did seem to me that when we do the same thing here and give to some one a lease of this particular property, the systems ought to be in harmony.

Mr. REED of Missouri. Mr. President, that was the argument made by the Senator when the colloquy occurred, I believe on yesterday; and it is, as I have stated, as powerful a statement of that view as any man could make. I am impressed by the distinction between the two much more strongly than the Senator from Montana, however.

Here is a stream that has been running down hill ever since creation. Nobody has done anything with it. It runs through a State. The Government's sole jurisdiction over it is to regulate navigation. A man comes along and proposes to put in a dam, and he is going to run that business for profit, and the Government permits him to go in and utilize that which has never before been utilized. It may have a great potential value, but it certainly did not have a very great investment value, or it would not have lain in an unused condition.

That is the kind of case that the Senator—who, if I recall aright, had much to do with the water power bill—had in mind when he was dealing with the water power legislation; and I agreed with him fully at that time that if the Government yielded to a private party the right to go in and take possession of a valuable water site, and he obtained that for nothing, he simply then had a private business which he was running for profit, and that, like any other private business, the Government having no interest in the profit and no interest in the management, he should come under the control of the same boards and bureaus that control similar enterprises within the State. That seemed to me to be sound.

Mr. GEORGE rose.

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Georgia?

Mr. REED of Missouri. In one moment I will. The Senator will pardon me until I complete the sentence. In this case, however, the Government took the water power, and has spent this immense sum of money to develop it. It is not proposed by the Government to run this as a money-making venture in the ordinary sense. The most the Government can ever hope to get out will be a return upon its investment, I think. I think it is not worthy of debate that we will ever get more than that. We shall not be out here, like the ordinary private enterprise, trying to make a large profit upon our stocks and to pay off our bonds; and if we lease the property it will undoubtedly be, I think, on terms that at the best will enable us finally to get an interest upon our investment. Having that great investment, it seems to me we are entitled to protect it. The other property went from us when we yielded it. We had no further concern in it. We had no particular reason to want to control it. We had not put any money in it. It was simply a natural advantage which somebody saw fit to employ, and we permitted him to do it.

I think there is a great difference between the two cases—so much that it impresses me, and I again express the hope that the Senator will not press his amendment. If it is in, and if the bill of the Senator from Alabama goes through, then bear in mind that the man who makes this contract, when he goes to bargain with the Federal Government, must take into consideration the fact that he has to meet whatever conditions are put in the lease, that he then has to go down into these various States and become subject to the State courts, and that if there be such things as great monopolies of power in the South, as has been intimated, those monopolies may be powerful enough to place so many obstacles in the way of this new venture or its development that in the end any man about to contract with the Government would hesitate, and at least insist upon very favorable terms.

Mr. WALSH of Montana. Mr. President, will the Senator suffer a further interruption?

Mr. REED of Missouri. Yes; I will.

Mr. WALSH of Montana. If the amendment offered by myself should be withdrawn, in accordance with the suggestion of the Senator, or if it should be defeated, section 10 of the bill will remain, and that provides for regulation by the State authorities without any other restriction. Of course, the Senator must contemplate, in that event, the presentation of some amendment which will express his views as now so interestingly put.

Mr. REED of Missouri. I certainly think that an amendment should be put into this bill providing for regulation by the Federal Government, but leaving in the lessee the right to look only to the Federal Government for his control.

Mr. WALSH of Montana. Exactly. Now I want to call attention to the fact that the only objection made to the amendment tendered by me is that it does not go far enough, and include as well operation under the Government corporation, if the corporation operates it. The Senator from New York was the originator of that objection to the amendment. Of course, the Senator will appreciate that his amendment will evoke more powerful opposition than even mine. Can he give us any kind of assurance that his amendment will command any more support than mine?

Mr. REED of Missouri. I hardly know how to answer that question, because it is not quite susceptible of an answer.

Mr. WALSH of Montana. I mean is it practical at this time, in the state of sentiment in this body, to get an amendment which would divorce the whole thing from local control? That is the one objection that the Senator from Alabama urges to my amendment, namely, that it is not sufficiently comprehensive; it does not include the regulation of service and rates by the Government corporation.

Mr. UNDERWOOD. Mr. President, I have repeatedly said to the Senator from Montana that, in my judgment, there is so

little difference between his amendment and the clause in my bill that if he would make it extend to the Government corporation as well as to the lessee I would raise no objection; but I think that the Government corporation should be regulated if we are going to regulate the lessee.

Mr. REED of Missouri. I agree to the proposition that if we turn over this great power somebody must possess a right to limit the charges that may be made. That right could be reserved in a lease to the Federal Government; but between the Federal Government regulating the rates and the rates being regulated by a State commission, when we are told that great power monopolies exist in those States, and when we know that the laws of some of the States, if not those particular States, provide that you can not put up a wire or a pole without a certificate of public necessity, it seems to me that we would be wise to retain the control in ourselves, whether we lease it or whether we run the property as a Government proposition.

That is my judgment on it. I may be wrong. I am not gifted with any infallibility. If I were making this contract for a private individual—if, in other words, a private individual stood in the place of this Government, and I hoped to make a good lease, I would very much rather agree with the lessee upon the conditions under which he was to operate and hoped to get a good contract than to turn him over to the tender mercies of commissions, when he knows that he must go into a territory already occupied with wires and poles and power plants, and that that property is controlled by great and powerful institutions. I think under those conditions you will find some difficulty in making a lease.

If the Senate please, I have, as usual, taken about five times as much time as I wanted to take. I am obliged to leave the Chamber. I wanted to express these views and let them be considered for what they are worth.

Mr. CURTIS. Mr. President, I should like to have the attention of the Senator from Alabama and the Senator from Nebraska, if I may, for a minute.

I desire to ask if there is not some way in which we can enter into a unanimous-consent agreement to have a vote on this measure some time on Saturday. I know that it is a very important one, probably one of the most important that has ever been here, and that the debate has been largely limited to the measure, probably more so than in the case of any other measure we have had up; but it seems to me that in the two weeks during which it has been under consideration the Members have about made up their minds how they are going to vote, and I should like to have some understanding, if possible, as to a final vote.

Mr. UNDERWOOD. Mr. President, I will say to the Senator from Kansas that so far as I am concerned I should be very willing to agree to enter into an agreement now to limit the debate on all the amendments to a certain time—5, 10, or 15 minutes to each amendment for each speaker—or I should be willing to fix an hour for voting on Saturday.

Mr. CURTIS. What does the Senator from Nebraska say?

Mr. NORRIS. Mr. President, the Senator himself said in his opening statement what has been conceded by every one, that the debate has been going along with everybody talking to the questions involved. It is conceded that it has been enlightening, has been casting more light every day on the subject, and inasmuch as the principal contention of a large number of Senators on both sides of the Chamber is for a bill that has never been considered a moment by a standing committee of the Senate, I think it is out of the question, in the midst of a debate which every one concedes is going along all right, to think of such a thing as a limitation.

I want to say frankly to the Senator from Kansas that I myself will not agree at the present time to fixing a time for a vote. There will be a dozen amendments proposed which have not been offered yet. We may reach a final vote, it is true, at any time, but I want the debate to go along until there is at least an indication that it is not going on fairly.

Mr. CURTIS. Would the Senator consent to a limitation of debate to, say, 20 minutes on an amendment?

Mr. NORRIS. No; there may be many amendments as to which no objection would be raised if a limit were fixed. For instance, I have no objection, if the Senator from Montana has none, to having the debate on his amendment limited to 10 minutes, or 20 minutes, or 5 minutes. As far as I am concerned, I do not want to take any time on it. But until an amendment is before us and we know what it is, I am not willing to make an agreement in advance that speeches shall be limited to 20 minutes.

Mr. CURTIS. Mr. President, I want to give notice that I shall ask Senators to stay here for a night session to-morrow night.

Mr. NORRIS. Mr. President, if that is the position the Senator is going to take—and of course he has the approval of the real leader on the other side of the Chamber—I want to give notice that if that is attempted I shall move that the Senate adjourn after we have been in session until 5 o'clock, say, and the Senate then can take its choice and vote as it pleases. But, because I am not willing to agree to the fixing of a definite time for a final vote, it is not fair, it is contrary to all precedents of this body, to do anything now to force a vote by a test of physical endurance. A final vote will not be secured by that means. I notify Senators now that that attempt will not succeed.

Mr. CURTIS. It was not the intention to try to wear anyone out, but I thought that if we should have a night session to-morrow night we could get rid of some of the amendments. There are some important amendments pending, and there are some not so important. It does seem to me that we ought to get down to a debate on the two or three important amendments. The Senator knows as well as I do that there are only two or three very important questions in connection with this measure. Many of the other amendments are virtually immaterial, and I do not suppose it will make much difference whether they are voted up or voted down, and I would like to get rid of them. I have no intention of trying to wear anybody out.

Mr. NORRIS. There are some of the amendments the debate on which will probably not exceed 5 or 10 minutes when they are reached. Some I have in mind now will probably really be adopted by unanimous consent. But the Senator knows that under the rules of the Senate a Senator may talk about the general bill and the general proposition involved here when any amendment is pending; he need not discuss the particular amendment.

If there were a tendency to discuss outside matters, I would lend my assistance, what little it might be, to try to curtail the debate, but if a Senator wants to talk, say, about the Underwood amendment or the committee bill, and takes the opportunity to elucidate some part of it while some little unimportant amendment is pending, he will be giving the Senate information, and we will receive the information he could give us just the same as though he waited until that particular question were before the Senate. If we could control the Senate and have everybody talk to the particular amendment pending, it would be different; but we do not do that here.

Mr. HEFLIN. Mr. President, I make the point of order that the discussion is not pertinent to the question before the Senate, and if Senators are not going to agree I desire recognition.

The PRESIDENT pro tempore. The question before the Senate is the amendment proposed by the Senator from Montana to the amendment in the nature of a substitute submitted by the Senator from Alabama.

Mr. CURTIS. May I ask the Senator from Nebraska one question? Could we enter into an agreement that debate shall be limited on all the amendments except the Underwood amendment, and—

Mr. NORRIS. No—

Mr. CURTIS. Wait until I finish; also the Norris amendment, the Jones amendment, and the amendment of the Senator from New York. I think those are the four principal amendments. Could we agree that debate shall be limited to, say, 10 minutes on all other amendments?

Mr. NORRIS. No, Mr. President. I have given my reason for refusing to consent to such an agreement. I do not know but that some Senator would want to talk an hour on some amendment, and perhaps some other Senator would want to talk an hour on another. I am not going to differentiate between Senators and say that the debate on the amendment of the Senator from New York shall be unlimited and on some one else's amendment shall be limited.

Mr. CURTIS. If any Senator desired to talk longer, he could say he wished to talk on the bill.

Mr. NORRIS. Then, what is the use of making an agreement if it is to have no effect?

Mr. CURTIS. I think in that way we could get some of these amendments out of the way.

Mr. NORRIS. I do not believe we could make any headway.

Mr. CURTIS. I withdraw my request.

Mr. HEFLIN. Mr. President, a few days ago the Senator from Tennessee [Mr. McKellar] made some criticism of the public service commission of my State. I received a telegram from the commission replying to the attack made by the Senator from Tennessee, which I had read into the Record yesterday. I received another telegram to-day from the public service commission of my State stating that the criticism

made by the Senator from Tennessee was unjust to the commission.

The gentlemen who compose that commission in my State are splendid men. All three of them are Democrats. They were nominated in the Democratic primary and elected at the polls by the people of the State. The chairman of the commission was nominated recently by an overwhelming majority, and was reelected on the 4th of November to the position which he now holds. He is a man of rigid integrity and of very high character, and so are his associates.

I feel that my friend from Tennessee has labored under a misapprehension as to the facts regarding the public service commission of my State.

I have never heard a complaint against one of them. They set out in the telegram which they sent to me that they had had sharp differences with the Alabama Power Co., and that the commission had always settled the questions at issue according to what the commission thought was right and just. I simply rose for the purpose of saying, so far as I know, no complaint has ever been made against these men, and no attack has ever been made before upon their integrity.

Mr. McKELLAR. Mr. President—

Mr. HEFLIN. I yield to the Senator.

Mr. McKELLAR. I hardly know that it is necessary for me—

Mr. HEFLIN. The Senator has complained about the high rates in my State, and he has them in his own State. If they are too high in Tennessee and Alabama, and they may be, they ought to come down. I have been informed that in Toledo, Ohio, the local plant belongs to the community and that they charge 8 cents per kilowatt-hour, so that 40 kilowatts would be \$3.20. That is a community-owned concern I am told. I do not know what it costs to produce electric power in one community or another, nor do I know the difference in the cost of supplying it. I hope to have an opportunity to study that question. I rose merely to say that these gentlemen in my State are high-toned men, men of courage, of rigid integrity, and very high character, and I do not think that anybody can induce them to do an unfair or unclean thing. They are capable, honorable, trustworthy men. I believe the commission is doing its best to faithfully serve the people of my State.

Mr. SMITH. Mr. President, I submit several amendments to the committee amendment, which I ask may be printed and lie on the table.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JONES of Washington. Mr. President, a few days ago I proposed a substitute. I have modified it by making some additions to it and corrections in it. I desire to resubmit it in the modified form and have it printed and lie on the table.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WADSWORTH. I ask permission similar to that just granted the Senator from Washington. I desire to modify the amendment which I have introduced and have it reprinted and lie on the table.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session, the doors were reopened.

RECESS

Mr. CURTIS. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock and 10 minutes p. m.) took a recess until to-morrow, Friday, December 19, 1924, at 12 o'clock m.

NOMINATIONS

Executive nominations received by the Senate December 18 (legislative day of December 16), 1924

APPOINTMENTS IN THE REGULAR ARMY

GENERAL OFFICERS

To be major generals

Brig. Gen. William Ruthven Smith, from July 23, 1924, vice Maj. Gen. Ulysses G. McAlexander, retired from active service July 22, 1924.

Brig. Gen. William Hartshorne Johnston, from November 3, 1924, vice Maj. Gen. Mark L. Hersey, retired from active service November 2, 1924.

Brig. Gen. William Weigel, from November 20, 1924, vice Maj. Gen. George W. Read, retired from active service November 19, 1924.

Brig. Gen. Charles Henry Martin, from January 16, 1925, vice Maj. Gen. Charles G. Morton, who will be retired by operation of law January 15, 1925.

Brig. Gen. Douglas MacArthur, from January 17, 1925, vice Maj. Gen. Robert L. Bullard, who will be retired by operation of law January 15, 1925.

To be brigadier generals

Col. LeRoy Eltinge, Cavalry, from July 19, 1924, vice Brig. Gen. Grote Hutcheson, appointed major general July 19, 1924.

Col. Ewing E. Booth, Cavalry, from July 21, 1924, vice Brig. Gen. Ulysses G. McAlexander, appointed major general July 21, 1924.

Col. Campbell King, Infantry, from July 23, 1924, vice Brig. Gen. William R. Smith, appointed major general July 23, 1924.

Col. William Wright Harts, Field Artillery, from September 20, 1924, vice Brig. Gen. Mark L. Hersey, appointed major general September 20, 1924.

Col. Edgar Thomas Collins, Infantry, from November 3, 1924, vice Brig. Gen. William H. Johnston, appointed major general November 3, 1924.

Col. George Sherwin Simonds, Infantry, from November 20, 1924, vice Brig. Gen. William Weigel, appointed major general November 20, 1924.

Col. Thomas Quinton Donaldson, Cavalry, from January 16, 1925, vice Brig. Gen. Charles H. Martin, nominated for appointment as major general.

Col. Alfred William Bjornstad, Infantry, from January 17, 1925, vice Brig. Gen. Douglas MacArthur, nominated for appointment as major general.

JUDGE ADVOCATE GENERAL'S DEPARTMENT

To be Judge Advocate General, with the rank of major general, for a period of four years from November 16, 1924, with rank from November 16, 1924

Col. John Adley Hull, Judge Advocate General's Department, vice Maj. Gen. Walter A. Bethel, Judge Advocate General, retired from active service November 15, 1924.

POSTMASTERS

ARKANSAS

Marion M. Parker to be postmaster at Griffin, Ark. Office became presidential July 1, 1924.

John H. Martin to be postmaster at Russellville, Ark., in place of J. S. Bowden, resigned.

Luther H. Presson to be postmaster at Mansfield, Ark., in place of C. H. Dixon, resigned.

Nettie M. O'Neill to be postmaster at Earl, Ark., in place of T. A. Binford, resigned.

Viola Leake to be postmaster at Althelmer, Ark., in place of S. I. Garrett, resigned.

Andy R. Cheatham to be postmaster at Stephens, Ark., in place of Lulu Brown. Incumbent's commission expired June 4, 1924.

Arrie M. Wood to be postmaster at Marshall, Ark., in place of F. G. Hollabaugh. Incumbent's commission expired January 23, 1924.

CALIFORNIA

Ada K. Harris to be postmaster at McKittrick, Calif., in place of M. R. Faber, resigned.

Pearl C. Snider to be postmaster at Fellows, Calif., in place of J. H. Bacon. Incumbent's commission expired June 4, 1924.

Eva L. Snyder to be postmaster at Moorpark, Calif., in place of E. C. Graham, resigned.

Lewis P. Temple to be postmaster at Capitola, Calif., in place of M. T. Monsport, resigned.

Edward W. Vadden to be postmaster at Los Gatos, Calif., in place of Lee Darneal. Incumbent's commission expired June 4, 1924.

GEORGIA

Lucius L. Dean to be postmaster at Smithville, Ga., in place of Agnes Wells, resigned.

Clyde S. Young to be postmaster at Rebecca, Ga., in place of E. E. Sego, resigned.

Charles P. Colclough to be postmaster at Maxeys, Ga., in place of C. P. Colclough. Office became third class October 1, 1923.

Floyd P. Jones to be postmaster at Leslie, Ga., in place of E. S. Burnett, resigned.

Lula Plowden to be postmaster at Edison, Ga., in place of W. T. Adkins. Incumbent's commission expired July 28, 1923.

Annie H. Thomas to be postmaster at Dawson, Ga., in place of W. B. Cheatham. Incumbent's commission expired February 4, 1924.

Cleone M. Fincher to be postmaster at Culloden, Ga., in place of M. S. Holmes. Incumbent's commission expired June 4, 1924.

Walker M. Cobb to be postmaster at Carrollton, Ga., in place of S. B. Pace. Incumbent's commission expired June 4, 1924.

George P. Whigham to be postmaster at Bartow, Ga., in place of D. A. McMillan. Incumbent's commission expired June 4, 1924.

Nellie B. Brimberry to be postmaster at Albany, Ga., in place of N. B. Brimberry. Incumbent's commission expired September 26, 1922.

Annie R. Hutcheson to be postmaster at Buchanan, Ga., in place of C. D. Stewart, resigned.

Gertrude Wingard to be postmaster at Aragon, Ga., in place of J. M. Lawson, Jr., resigned.

George A. Poche to be postmaster at Washington, Ga., in place of R. I. Fanning. Incumbent's commission expired June 4, 1924.

Lansing B. LeRoy to be postmaster at Tignall, Ga., in place of E. F. Boyd. Incumbent's commission expired July 28, 1923.

Johnnie B. Roddenbery to be postmaster at Thomasville, Ga., in place of J. B. Roddenbery. Incumbent's commission expired September 26, 1922.

Ulysses C. Combs to be postmaster at Sylvester, Ga., in place of A. H. Overton. Incumbent's commission expired August 29, 1923.

Albert S. J. McRae to be postmaster at McRae, Ga., in place of A. S. J. McRae. Incumbent's commission expired July 28, 1923.

Jane M. Wilkes to be postmaster at Lincolnton, Ga., in place of J. M. Wilkes. Incumbent's commission expired July 28, 1923.

Robert S. Franklin to be postmaster at Adairsville, Ga., in place of J. M. Gray. Incumbent's commission expired July 28, 1923.

ILLINOIS

Lucy H. Renich to be postmaster at Woodstock, Ill., in place of G. W. Frame. Incumbent's commission expired June 5, 1924.

Americus Gasaway to be postmaster at Herrin, Ill., in place of J. D. Perrine. Incumbent's commission expired August 29, 1923.

IOWA

Joseph J. Clark to be postmaster at Portsmouth, Iowa, in place of K. F. Elder, resigned.

Verne T. Herrick to be postmaster at Bridgewater, Iowa, in place of Bessie Bricker, resigned.

Bruce R. Mills to be postmaster at Woodbine, Iowa, in place of E. E. Cole. Incumbent's commission expired June 5, 1924.

Clarence D. Bourke to be postmaster at Primghar, Iowa, in place of J. G. Geister. Incumbent's commission expired June 5, 1924.

John T. Bargenholt to be postmaster at Orient, Iowa, in place of L. H. Neville. Incumbent's commission expired June 5, 1924.

Orwin W. Masching to be postmaster at Exira, Iowa, in place of W. H. May. Incumbent's commission expired June 5, 1924.

William W. Gundrum to be postmaster at Casey, Iowa, in place of J. B. Thompson. Incumbent's commission expired June 5, 1924.

Homer C. Thompson to be postmaster at Bayard, Iowa, in place of A. D. Ocheltree. Incumbent's commission expired March 22, 1924.

Samuel A. Garlow to be postmaster at Avoca, Iowa, in place of F. M. Beymer. Incumbent's commission expired June 5, 1924.

Gay S. Thomas to be postmaster at Audubon, Iowa, in place of Kathryn McGuire. Incumbent's commission expired June 4, 1924.

Samuel W. Campbell to be postmaster at Anthon, Iowa, in place of L. R. Hugel. Incumbent's commission expired June 5, 1924.

Clyde W. Edwards to be postmaster at Adair, Iowa, in place of P. J. Grace. Incumbent's commission expired June 5, 1924.

KANSAS

George E. Crawford to be postmaster at Whiting, Kans., in place of Olive Green. Incumbent's commission expired June 4, 1924.

Clarence G. Hart to be postmaster at Perry, Kans., in place of Dale Stark. Incumbent's commission expired June 4, 1924.

Clitus B. Hosford to be postmaster at Lawrence, Kans., in place of C. S. Finch. Incumbent's commission expired April 1, 1924.

Theodore C. Conklin to be postmaster at Mulvane, Kans., in place of Alexander Burgess. Incumbent's commission expired June 4, 1924.

Robert E. Chapman to be postmaster at Belle Plaine, Kans., in place of J. T. Kneeland. Incumbent's commission expired June 4, 1924.

MAINE

Frank P. Freeman to be postmaster at Harrison, Me., in place of J. T. Kneeland. Incumbent's commission expired June 5, 1924.

Lawrence A. Brown to be postmaster at Brunswick, Me., in place of I. G. Elder. Incumbent's commission expired June 5, 1924.

MARYLAND

Helen G. Rawlings to be postmaster at Rising Sun, Md., in place of P. A. Gibson, resigned.

Daniel W. Babcock to be postmaster at Berlin, Md., in place of E. M. Layton, deceased.

MINNESOTA

Leonore M. Thorp to be postmaster at Shevlin, Minn., in place of J. C. Thorp, deceased.

Arthur F. Johnson to be postmaster at Dent, Minn., in place of B. L. Burgess, resigned.

Frank L. Hoagland to be postmaster at Marshall, Minn., in place of Steve Blanchett. Incumbent's commission expired June 5, 1924.

Frederick A. Cooley to be postmaster at Heron Lake, Minn., in place of Jerry Sullivan. Incumbent's commission expired June 5, 1924.

Bernhard E. Anderson to be postmaster at Elbow Lake, Minn., in place of John Engebretson. Incumbent's commission expired June 5, 1924.

Zenas V. Johnston to be postmaster at Atwater, Minn., in place of Oliver Erickson. Incumbent's commission expired June 5, 1924.

NEBRASKA

Lulu C. Brown to be postmaster at Stockville, Nebr. Office became presidential October 1, 1922.

Lucy L. Mendenhall to be postmaster at Elk Creek, Nebr. Office became presidential October 1, 1923.

Herbert L. Wichman to be postmaster at Norfolk, Nebr., in place of B. C. Gentle, removed.

James J. Green to be postmaster at Moorefield, Nebr., in place of W. R. Cross, resigned.

Charles H. Fueston to be postmaster at Dakota City, Nebr., in place of G. M. Best, deceased.

Franz J. Riesland to be postmaster at Wood River, Nebr., in place of D. D. O'Kane. Incumbent's commission expired June 4, 1924.

George A. Ayer to be postmaster at Oxford, Nebr., in place of T. O. Norman. Incumbent's commission expired June 4, 1924.

Charles E. Cook to be postmaster at Franklin, Nebr., in place of John Wilson. Incumbent's commission expired June 4, 1924.

William C. Coupland to be postmaster at Elgin, Nebr., in place of W. A. Nyrop. Incumbent's commission expired June 4, 1924.

Joe G. Crews to be postmaster at Culbertson, Nebr., in place of J. M. Crews. Incumbent's commission expired June 4, 1924.

Marcus H. Carman to be postmaster at Cook, Nebr., in place of H. O. Paine. Incumbent's commission expired April 9, 1924.

Archie E. Cates to be postmaster at Beemer, Nebr., in place of H. A. Crosby. Incumbent's commission expired June 4, 1924.

Laurence N. Merwin to be postmaster at Beaver City, Nebr., in place of Clarence Dillon. Incumbent's commission expired May 11, 1924.

NEW YORK

Eleanor C. Griffing to be postmaster at Shelter Island, N. Y., in place of A. R. Smith. Office became third class April 1, 1924.

OHIO

Horace G. Randall to be postmaster at Sylvania, Ohio, in place of C. D. Calkins, removed.

Wellington T. Huntsman to be postmaster at Toledo, Ohio, in place of G. W. Lathrop. Incumbent's commission expired June 4, 1924.

George P. Foresman to be postmaster at Circleville, Ohio, in place of O. L. Gessley. Incumbent's commission expired March 2, 1924.

W. Clifton Reeker to be postmaster at Leavittsburg, Ohio. Office became presidential July 1, 1924.

Alcina Andrews to be postmaster at Risingsun, Ohio, in place of W. R. White, resigned.

Samuel B. Moffett to be postmaster at Alger, Ohio, in place of Ruth Seibert, deceased.

James G. Tuttle to be postmaster at Chatfield, Ohio, in place of E. M. Loyer. Incumbent's commission expired February 24, 1924.

UTAH

John E. Lunt to be postmaster at Nephi, Utah, in place of G. A. Allen. Incumbent's commission expired June 4, 1924.

Joseph Odell to be postmaster at Logan, Utah, in place of J. M. Blair. Incumbent's commission expired June 4, 1924.

VERMONT

Henry D. Rolfe to be postmaster at Brandon, Vt., in place of Burt Merritt, appointee failed to qualify.

Archie S. Haven to be postmaster at Vergennes, Vt., in place of J. H. Donnelly. Incumbent's commission expired June 5, 1924.

Charles E. Hall to be postmaster at Swanton, Vt., in place of A. B. Anderson. Incumbent's commission expired June 5, 1924.

Avery G. Smith to be postmaster at St. Albans, Vt., in place of W. H. Finn. Incumbent's commission expired June 27, 1920.

Ernest W. Gates to be postmaster at Morrisville, Vt., in place of C. L. Gates. Incumbent's commission expired June 5, 1924.

Charles H. Stetson to be postmaster at Enosburg Falls, Vt., in place of J. B. Kimball. Incumbent's commission expired June 5, 1924.

WEST VIRGINIA

John W. Lamon to be postmaster at Bunker Hill, W. Va., in place of M. O. Rogers. Office became third class July 1, 1924.

Arthur N. McKeever to be postmaster at Romney, W. Va., in place of E. J. Loy. Incumbent's commission expired June 5, 1924.

Edward M. Tucker to be postmaster at Moorefield, W. Va., in place of Willard Williams. Incumbent's commission expired June 5, 1924.

William B. Murray to be postmaster at Minden, W. Va. Office became presidential October 1, 1924.

Conrad H. Forst to be postmaster at Mount Hope, W. Va., in place of W. R. Moore, deceased.

John Brash to be postmaster at Glen Jean, W. Va., in place of Charles Ash, resigned.

Martin B. Taylor to be postmaster at Gauley Bridge, W. Va., in place of G. H. Brackland, resigned.

WISCONSIN

William W. Goynes to be postmaster at National Home, Wis., in place of J. B. Thelen, resigned.

William F. Pflueger to be postmaster at Manitowoc, Wis., in place of H. C. Schuette, resigned.

Bertha S. Johnson to be postmaster at De Soto, Wis., in place of Mae Caldwell, removed.

Magnus Magnusson to be postmaster at Detroit Harbor, Wis., in place of J. A. Gudmundsen, resigned.

Russell D. Stouffer to be postmaster at Shell Lake, Wis., in place of B. D. Stouffer. Incumbent's commission expired June 5, 1924.

Alfred H. Fischer to be postmaster at Ripon, Wis., in place of A. H. Fischer. Incumbent's commission expired June 5, 1924.

James R. Stone to be postmaster at Reedsburg, Wis., in place of F. H. Metcalf. Incumbent's commission expired August 29, 1923.

Wilber E. Hoelz to be postmaster at Random Lake, Wis., in place of W. E. Hoelz. Incumbent's commission expired May 28, 1924.

Lynn L. Merrill to be postmaster at Princeton, Wis., in place of J. E. Hennig. Incumbent's commission expired June 5, 1924.

Jessie S. Hammond to be postmaster at Onalaska, Wis., in place of B. S. Shove. Incumbent's commission expired August 29, 1923.

William Denomie to be postmaster at Odanah, Wis., in place of William Denomie. Incumbent's commission expired August 29, 1923.

William F. Sommerfeld to be postmaster at Oakfield, Wis., in place of J. H. Beirne. Incumbent's commission expired March 22, 1924.

Fred M. Neumann to be postmaster at Norwalk, Wis., in place of J. B. Kerrigan. Incumbent's commission expired June 5, 1924.

Harriet N. Apker to be postmaster at North Freedom, Wis., in place of H. N. Apker. Incumbent's commission expired August 29, 1923.

Anton C. Martin to be postmaster at Neillsville, Wis., in place of A. C. Martin. Incumbent's commission expired May 28, 1924.

Edward W. LeRoy to be postmaster at Marinette, Wis., in place of L. J. Evans. Incumbent's commission expired March 22, 1924.

Albert H. Fries to be postmaster at Lone Rock, Wis., in place of Galen Moore. Incumbent's commission expired March 22, 1924.

Samuel P. Van Dyke to be postmaster at Kilbourn, Wis., in place of A. A. Kleimnighagen. Incumbent's commission expired March 22, 1924.

Alexander E. Matheson to be postmaster at Janesville, Wis., in place of J. J. Cunningham. Incumbent's commission expired March 22, 1924.

Emy M. Mollenhoff to be postmaster at Iron River, Wis., in place of J. G. A. Mollenhoff. Incumbent's commission expired March 22, 1924.

Wellen G. Hartson to be postmaster at Greenwood, Wis., in place of C. A. L. Varney. Incumbent's commission expired August 29, 1923.

John W. Kane to be postmaster at Fredonia, Wis., in place of J. W. Kane. Incumbent's commission expired March 22, 1924.

Louis E. Homsted to be postmaster at Dorchester, Wis., in place of Herman Kronschnabl. Incumbent's commission expired June 5, 1924.

Miles M. Shepard to be postmaster at De Pere, Wis., in place of J. A. Kuypers. Incumbent's commission expired August 29, 1923.

Selmer J. Tilleson to be postmaster at Clintonville, Wis., in place of Julius Prenzlow. Incumbent's commission expired March 22, 1924.

Hilda Wick to be postmaster at Catawba, Wis. Office became presidential October 1, 1923.

Maude Adams to be postmaster at Eagle River, Wis., in place of J. A. Zimpelmann. Incumbent's commission expired June 5, 1924.

William N. White to be postmaster at Waterloo, Wis., in place of C. J. Janisch. Incumbent's commission expired August 29, 1923.

George F. Fiedler to be postmaster at Seymour, Wis., in place of J. A. Stewart. Incumbent's commission expired August 29, 1923.

Harry W. Field to be postmaster at Rice Lake, Wis., in place of W. H. Dunn. Incumbent's commission expired June 5, 1924.

Paul Herbst to be postmaster at Park Falls, Wis., in place of Paul Herbst. Incumbent's commission expired May 28, 1924.

Joseph G. Miller to be postmaster at Muscoda, Wis., in place of F. J. Egan. Incumbent's commission expired August 29, 1923.

Edward J. Blum to be postmaster at Monticello, Wis., in place of I. B. Pierce. Incumbent's commission expired June 5, 1924.

John H. McNown to be postmaster at Mauston, Wis., in place of T. F. Powers. Incumbent's commission expired August 29, 1923.

Marie D. Host to be postmaster at Lake Geneva, Wis., in place of L. G. Brown. Incumbent's commission expired March 22, 1924.

Raynold G. Lidbom to be postmaster at Grantsburg, Wis., in place of R. V. Lidbom. Incumbent's commission expired June 5, 1924.

Herbert B. Linde to be postmaster at East Troy, Wis., in place of Lawrence Clancey. Incumbent's commission expired June 5, 1924.

Ernest R. Nickel to be postmaster at Chippewa Falls, Wis., in place of E. R. Nickel. Incumbent's commission expired May 28, 1924.

John W. Bell to be postmaster at Chetek, Wis., in place of Carl Whitaker. Incumbent's commission expired June 5, 1924.
 Herman F. Barth to be postmaster at Cashton, Wis., in place of John Cremer. Incumbent's commission expired June 5, 1924.
 Homer J. Samson to be postmaster at Cameron, Wis., in place of H. J. Samson. Incumbent's commission expired May 28, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 18 (legislative day of December 16), 1924

COMPTROLLER OF THE CURRENCY

Joseph W. McIntosh, to be Comptroller of the Currency, in place of Hon. Henry M. Dawes, resigned.

PROMOTIONS IN THE NAVY

MARINE CORPS

To be colonel

Frank E. Evans.

To be lieutenant colonels

Gerard M. Kincade.

James J. Meade.

Jesse F. Dyer.

To be majors

George W. Martin.

David L. S. Brewster.

David S. Barry.

To be captains

Gilbert D. Hatfield.

Donald J. Kendall.

Thomas E. Kendrick.

Lewis B. Reagan.

Alfred W. Ogle.

To be first lieutenants

Ralph D. Leach.

Ervin R. Whitman.

George W. McHenry.

Marvin V. Yandle.

William L. McKittrick.

George L. Maynard.

Charles W. Pohl.

Brady L. Vogt.

Bernard W. Pravitz.

Harry P. Smith.

Stanley E. Ridderhof.

Chesley G. Stevens.

Edward A. Robbins.

Lawson H. M. Sanderson.

Thomas McK. Schuler.

Jacob F. Plachta.

Morris L. Shively.

Harold E. Rosecrans.

Max D. Smith.

Louis F. Knorr.

David A. Stafford.

Leo Sullivan.

William J. Stamper.

Hayne D. Boyden.

Jay D. Swartwout.

Franklin G. Cowie.

George H. Townner, jr.

Christian F. Schilt.

Leslie H. Wellman.

Henry T. Nicholas.

Walter A. Wensinger.

Frederick S. Chappelle.

To be second lieutenants

Alexander W. Kreiser, jr.

Edwin C. Ferguson.

John L. Allen.

Walter I. Jordan.

John Groves.

Tilghman H. Saunders.

Arthus W. Ellis.

Thomas J. McQuade.

Kenneth B. Chappell.

Thomas C. Perrin.

William A. Hamilton, jr.

Robert B. Payne.

Le Page Cronmiller, jr.

St. Julien R. Marshall.

Lenard B. Cresswell.

Otto Lessing.

Samuel K. Bird.

Charles S. Forbell, jr.

POSTMASTERS

ALABAMA

Luannie C. Law, New Brockton.
 Minnie V. Compton, Pine Apple.

GEORGIA

John W. Moore, Crawford.
 Minnie Parker, Fairburn.
 Walter L. Turner, Lagrange.
 Henry C. Hays, Mansfield.
 Thomas A. Bulloch, Ochlocknee.

NEW JERSEY

Edna Dalrymple, Alpha.
 Edwin Condit, Essex Fells.
 Vivian O. Walters, Franklin.
 Berta Brown, Leonardo.
 Clair MacFarland, Monroeville.
 Sanford W. Sonders, Riegelsville.
 Jessie M. Patterson, Union.
 Louis Meretta, Zarephath.

SOUTH CAROLINA

Lona Mae LeCroy, Langley.

HOUSE OF REPRESENTATIVES

THURSDAY, December 18, 1924

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O love of God and love divine, Thou art always near. Dependent on Thy bounteous mercy as we are, we seek Thy grace to cleanse, Thy power to heal, and Thy wisdom to direct. The best evidence of Thy presence is not in the world without, but in the goodness that Thou inspire in the lives of men. It is not a gift, but a choice. Let our selection be an index to more perfect strength and greater achievement. Let the unknown to-morrow bring us peace, health, and the continued gladness of our firesides, through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE LATE MARTIN H. GLYNN

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. The gentleman from New York asks unanimous consent to address the House for three minutes. Is there objection?

There was no objection.

Mr. BOYLAN. Mr. Speaker and gentlemen of the House, yesterday, amid his native hills, in northern New York, a distinguished American was laid to rest. Martin H. Glynn was a Member of the Fifty-sixth Congress. Afterwards he was elected controller of the State of New York, lieutenant governor, and then Governor of the State of New York. During his administration as governor the workman's compensation bill was passed in our State, and the direct primary law was enacted.

He instituted such measures of economy that he has been rated as one of the four great governors of the Empire State. He was a distinguished scholar, a successful editor, starting at the very lowest rung of the ladder, achieving a success recognized by the entire press of the country. He was a brilliant orator. He delivered the keynote speech at the convention that nominated Woodrow Wilson at St. Louis in 1916 for the Presidency, at that time making a speech that will go down in the annals of American oratory among those of the most famous orations of his time.

He was a man who loved his State, a man who loved humanity in general. He was successful as an arbiter in settling the dispute between the Free State and the Republican Party in Ireland. He was a profound scholar, and his chief hobby was his library.

With all and through all he suffered from an infirmity of physical disability which would have caused an ordinary man to give up his task in despair, but nevertheless he carried on. In the passing of Martin H. Glynn the State of New York has lost a distinguished citizen, and the country as a whole has suffered in the loss of a noble, patriotic, and devoted American. [Applause.]

At a meeting of the New York delegation in Congress the following resolution offered by Congressman THOMAS H. CULLEN was adopted:

Resolution

Whereas the Members of Congress from the State of New York have learned with profound sorrow of the tragic and untimely death of the Hon. Martin H. Glynn, who served as a Member of the House of Representatives from March 4, 1899, to March 3, 1901, and who afterwards was controller of the State of New York, and who during the years 1913 and 1914 was Governor of the State of New York; and

Whereas in his death the State and Nation have lost a fearless and militant citizen of splendid achievements, and the world a fearless champion of justice and freedom for all nations: Now therefore be it

Resolved, That we mourn the loss of the Hon. Martin H. Glynn, our friend, a splendid citizen, Representative in Congress, governor, and advocate of international justice; that we tender to his family our sincere condolence and sympathy in their bereavement, and that this expression of our grief be sent to his widow and members of his family.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, one of its clerks, announced that the Senate had passed without amendment bills of the following titles:

H. R. 10650. An act to authorize the settlement of the indebtedness of the Republic of Lithuania to the United States of America; and